DAILY DIGEST

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Vol. XXII, No. 61 Section 1 September 11, 1926

THE PRESIDENT AND FARM RELIEF

A dispatch from Paul Smith's to The New York Times to-day says: "Appreciating the need for sane farm relief legislation as an economical proposition now becoming a political issue in the Corn Belt States, President Coolidge yesterday confirmed reports that the administration is seriously studying this situation, but has not yet drafted a bill for presentation to Congress. Banking plans to aid banks holding farm mortgages also are before the administration. While the President has not made up his mind as to the exact form the legislation should take, it was indicated that some recommendation might be expected in the next session of Congress. It is believed the attitude of the administration with some indication of the essential features of its farm proposals will be made public following Mr. Coolidge's return to Washington.... The Fess bill still seems to Mr. Coolidge to be the best measuresfor solving the agricultural problem. Secretary Jardine has proposed a variation of this bill, which is confined to government loans to assist farm cooperatives in the disposition of surpluses. Others have proposed other variations. If any one of them should appear to the President to be an improvement on the Fess bill, it is likely that he will recommend it in his message to Congress. So long, however, as the Corn Belt is wedded to the McNary-Haugen bill and will accept no other measure, Mr. Coolidge has little hope of the passage of farm relief legislation at the next session...."

RUBBER PRODUCTION

An Associated Press dispatch from Philadelphia to-day says: "Present methods of rubber cultivation as a whole are satisfactory, it was said in a paper by Henry P. Stevens, consultant of the British Rubber Growers Association of London, yesterday at the concluding session of the two-day symposium on crude rubber held in connection with the American Chemical Society convention. 'No radical alterations are to be looked for in the production of plantation rubber in the future,' he said. 'As a whole the present methods are satisfactory. The product is good and the general principles are correct. The most to be expected is improvement in the details of preparation of sheet and greater conformity and freedom from molds, spots and other defects.' Two important facts brought out at the symposium in the opinion of chemists were the cultivation of the guayule shrub as a source of America's future rubber supply and the inability of science up to the present to produce a synthetic rubber suitable for commercial purposes."

KEYNES ON DAWES PLAN

A London dispatch to the press to-day reports: "John Maynard Keynes, British writer and economist, contributes an article to the current weekly Nation on the progress of the Dawes reparation scheme He estimates that up to the present time Germany's payments under the Dawes plan to the amount of 100,000,000 pounds have been provided mainly be foreign lenders, chiefly the United States. Thus, he argues, reparations and interallied debts are being settled mainly in paper, not in goods--America lends to Germany, Germany transfers the equivalent to the Allies and the Allies pay it back to Washington--nothing real passes and nobody is a penny the worse...."

Section 2

Georgia Apple Crop

A Cornelia, Ga., dispatch to the press of September 9 states that Georgia's apple crop for 1926 will total between 250,000 and 275,000 boxes, according to J.L.Roper, manager of the Consolidated Apple Growers' Exchange, this being an increase of approximately 100 per cent over production last year, when the crop was cut by drought. Plans have been made to grade the fruit much closer this year than ever before, following the example of apple growers in the Northwest.

Meat Grading

An editorial in Farm and Ranch for September 4, says: "Consumers, most of them, would be glad to pay for better meat and thus make better meat pay. One of the chief reasons why the per capita consumption of meat has decreased in this country is found in the fact that real good meat is hard to get....Grading beef carcasses, if followed out to a logical conclusion, is going to increase the demand for prime No.1 meat, and breeders of superior animals will obtain a premium for their animals just as soon as consumers are educated to the new grades. Most consumers want the best, but many do not know what the best is when it comes to buying meat."

Milk Rates

Freight rates on milk and cream between stations on the Chicago and Eastern Illinois Railroad will be increased October 12 by approximately 12 per cent under an Interstate Commerce decision September 9. The road proposed to put the increases into effect last June, but was prevented from doing so while the commission investigated.

North Carolina Cotton Cooperative Payments

A Raleigh, N.C., dispatch to the press of September 9 says: "The North Carolina Cotton Growers' Cooperative Association is making an extra distribution of $315,906.91 to members. This follows the payment of more than half a million dollars as the final liquidation of the 1925 crop. The extra payment is brought about by the return to the growers of the first year's reserve fund of $168,630.55, interest on first three years' reserve fund of $28,475.56, and further distribution on the 1925 crop, amounting to $118,799.90. Return of the first year's reserve fund still leaves in the association treasury a reserve fund of $495,940.16.... Advance payments this year are a little more than 60 per cent of the value of the cotton."

Rural Sociology

The Literary Digest for September 11 says: "It is an oft-repeated truism that the material prosperity of the country depends on the prosperity of the farmer. It is no less true, it is pointed out, that the spiritual welfare of the Nation is dependent on the continued cultivation of idealism on the farm. The fact is stressed by The Christian World, which makes an editorial appeal both to the farmer and the country pastor to realize how strategically important it is, not only for the country community but also for the Nation at large, that the country church should not be permitted to suffer any backward step. It especially emphasizes the indispensable part which the country church has always played in the life of the Nation, giving spiritual tone and high ideal to the constant stream of virile young people who go from the farms into the cities. This religious weekly goes on to say: 'We are too one-sided when we think of country life as furnishing only the Nation's food supply. Where country life is what it should be, it supplies intangible values to the Nation. The country is less radical than the town. Wrapt up in this conservatism of the country is apt to be its conservation of moral ideals. Why, for instance, do we say that the country is dry and the city wet, comparatively speaking? We still get a disproportionate number of ministers from

country churches. The country has in the past been a reservoir upon which the Nation could draw for its renewal. What Sodoms our cities might become without new blood from the country!...The Church is being underestimated, we fear, by the farmers themselves as a means of spiritual recreation....We know that the Church can be made a veritable magnet in a countryside. We need a revival in country churches....We hope, among other things hoped for, that ministers trained on the farm will have a larger desire to go back into farm communities and invest themselves to make the farm become the backbone of our Nation.'"

Section 3
MARKET QUOTATIONS

Farm Products Sept. 10: Chicago livestock quotations: Top price of hogs $14.40, bulk of sales $10.50 to $13.90.

Northern sacked Round white potatoes on the Chicago carlot market at $3.15-$3.30 per 100 pounds and f.o.b. Waupaca at $2.25-$2.50. N.J. and L.I. sacked Cobblers at $2.65-$3 in eastern cities; $2.65 f.o.b. Central New Jersey. No.Carolina and Virginia yellow sweet potatoes $3.50-$4.50 per barrel. Eastern Elberta peaches 75¢-$1.50 per bushel basket in terminal markets. New York Oldenburg apples 65¢-85¢ per bushel basket in eastern cities. Arkansas Jonathans $1.65-$3. New York domestic type cabbage $18-$22 bulk per ton in the East, top of $28-$30 in Cincinnati.

Closing prices on 92 score butter: New York 43¢; Chicago 42¢; Philadelphia 44¢; Boston 43 1/2¢.

Closing prices at Wisconsin primary cheese markets: Single Daisies 22¢; Double Daisies 22¢; Longhorns 22 1/4¢.

Average price of Middling spot cotton in 10 designated spot markets declined 13 points, closing at 17.37¢ per lb. October future contracts on the New York Cotton Exchange declined 12 points, closing at 17.39¢ and on the New Orleans Cotton Exchange they declined 14 points, closing at 17.42¢.

Grain prices quoted: No.1 dark Northern-Minneapolis $1.37-$1.48. No.2 red winter-Chicago $1.34; St.Louis $1.35. No.2 hard winter-Chicago $1.35; St.Louis $1.35: No.2 yellow corn-Chicago 82¢; No.3 yellow corn Chicago 81¢; St.Louis 81¢; Minneapolis 81¢. No.3 white oats-Chicago 37¢; St.Louis 39¢; Minneapolis 37¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Sept. 10,	Sept. 9,	Sept. 10, 1925
	20 Industrials	163.35	164.94	143.83
	20 R.R. stocks	120.49	121.76	102.40

(Wall St. Jour., Sept. 11.)

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Vol. XXII, No. 62 Section 1 September 13,1926

GRAIN TRADING REPORT

The New York Times to-day says: "President B.H.Wunder of the New York Produce Exchange issued a statement yesterday analyzing the recent report of the Federal Trade Commission on the operation of grain futures markets. 'The Trade Commission,' Mr. Wunder says, 'thinks that marginal trading in grain futures should be discontinued or curtailed, if not more strenuously regulated. This is a debatable question. Who will determine who has a right to speculate in wheat or any other commodity? The commission also suggests that speculation for a "quick turn" be controlled. This is at variance with many statements from Department of Agriculture officials to the effect that the scalper, who necessarily trades for a quick turn, performs a very useful function and helps provide a broader and more active market--both on the decline and advance. The Trade Commission report, however, while far reaching in several respects, is such a strong indorsement of the present management of several leading grain futures markets, and the report, generally, is so fair and reasonable, that it necessarily meets with the general approval of the grain trade. To take exception to several advanced and radical suggestions and condemn the report would be a mistake.'"

ONION TARIFF

A dispatch to-day from Twin Falls, Idaho, says: "Prompted by the urgent appeal of Idaho onion growers for increase by Executive order of the tariff on onions, President Coolidge has called upon the Tariff Commission for a report on the subject, Representative Addison T. Smith was advised September 11. Approximately 1,800 carloads of onions are ready for the market in Twin Falls County and about 1,000 carloads in the Boise Valley. "

WHEAT ACREAGE RECORD

A Minneapolis dispatch to the press to-day says: "What is said to be the largest wheat farm in the world, located near Hardin, Mont., will this year produce upward of 300,000 bushels of wheat, it is believed. There are 38,000 acres in wheat, with yields varying from a few bushels to the acre to more than ten bushels. The farm also has 7,000 acres in flax. A crew of 250 men is engaged in harvesting."

MEXICAN COTTON

A Mexico City dispatch to the press to-day reports that $2,000,000 of cotton has been lost in the Laguna region through floods, according to reports to the Secretary of Agriculture. The cotton growers request the Government to build dams to prevent the Nazas River from overflowing. Seven large haciendas are under water and the entire crops have been destroyed, the cotton growers say. Unless dams are built the entire cotton region will continue to face the danger of floods which will destroy the industry, they declare.

Section 2

Agricultural Conditions

An editorial in The Journal of Commerce for September 11 says: "In not a few minds the question presents itself: Why, if crops are as good as they are reported by Washington officials to be, and if what is called farm prosperity is as the Secretary of Agriculture recently asserted really just around the corner, should political managers feel under the necessity of talking so much about farm relief and for that matter of conceding so much to the farm radicals, so-called? Just how far, after all, is the farm population due special consideration at the present time? Certainly the testimony of crop statisticians, private and official, seems to give ground for belief that no suffering worthy of much note exists in rural sections of this country or will exist there this winter. Reports of mail order houses and other enterprises selling largely in remoter sections testify that the farmer is finding it possible to buy in substantial volume. The automobile manufacturers appear to have little or no difficulty in selling cars to agricultural producers. It can hardly be that there is to-day much actual economic hardship in rural districts except, of course, in isolated and exceptional cases.

"Yet it is probably true that the farmers of this country, by and large, have not been able to enjoy what we call prosperity in the degree or anything like the degree that is the case with organized labor or with other important sections of the industrial communities. The producers of wheat, corn, hogs, cattle, cotton and the like have without doubt had to bear the burden of exorbitant tariff duties and to sell in markets largely dominated by international levels of prices. They have been forced to pay the price of an artificial shortage of labor without having an opportunity to offset this disadvantage by passing the cost on to somebody else. In a sense the farmer has become the residuary legatee of much of our mistaken policy of post-war times. It is for this reason that he is due honest, if belated, consideration at this time. It must be added, however, that his own affairs have not been wisely handled and that so long as he is not able to adjust his production to probable demand better than he has heretofore done, relief from tariff and labor burdens would in all likelihood do him but little and temporary good."

British Agriculture

Country Life (London) for August 28 says:"....The Minister of Agriculture was, probably, correct when he observed, in a speech in the House of Commons, that 'the industry is now turning the corner.' 'Turning the corner,' however, would appear to mean that we have reached a stage when there are fewer violent fluctuations in prices which operate to the disadvantage of the farmer. It does not mean that English farmers at present have any considerable confidence in the future of arable farming, for the 1926 figures indicate a further decline of 134,000 acres of arable land compared with 1925. In short, this means that we have now nearly half a million acres less arable land than before the outbreak of war in 1914, and nearly two millions below the total secured in 1918. There is, however, some comfort in the knowledge that the decrease this year is the smallest recorded for the past eight years, which would seem to indicate that the rot has been almost stopped. Of the cereal crops, wheat is the only one which shows an increase--the first since 1921, with a total area of 1,592,000 acres. The barley acreage, however, is the smallest ever recorded, and the 1,150,000 acres gives a reduction of 168,000 acres. This result is by no means surprising in view of the low prices which were received last year for this crop. Oats are almost unchanged in area, with a total of 1,861,000 acres. The other outstanding features of the arable crops are that the area under sugar beet has been more than doubled. Some

125,000 acres are being cropped this year, which represents an increase of over 70,000 acres. The increase in the cultivation of this crop is particularly marked in the eastern counties, while the distribution of the crop is more widespread than formerly. It is very evident that farmers are beginning to recognize the commercial properties of sugar beet culture, and it is well known that this crop saved a good many eastern county farmers last year....It is when we come to the livestock sections that the results of the decline in the arable area of the past few years are plainly discernible. There are now some 6,252,400 cattle, which is the greatest number ever recorded, and represents an increase of nearly three-quarters of a million within the past five years. Strangely enough, the largest increases are recorded in southern England, and the movement in favor of dairy farming and the raising of young stock is strongly emphasized."

Canadian Wheat Crop — An Ottawa dispatch to the press of September 10 states that the total production of wheat in three prairie provinces, as estimated by the Dominion Bureau of Statistics, is now 375,697,000 bushels as compared with the finally estimated production of 382,959,000 last year. For the three prairie provinces, the preliminary estimates of total production, as compared with the finally estimated production in 1925, within brackets are as follows: Wheat, 375,697,000, (382,959,000); oats, 389,689,000, (322,254,000); barley, 94,434,000, (94,141,000); rye, 11,334,500, (11,545,000), and flaxseed, 7,211,500, (9,138,000.).

Fruit Juice Corporation — Manufacturers Record for September 9 says: "Outlining its present activities and future plans, the Florida Pure Fruit Juice Company of Tampa, A. N. Duncan, secretary, which recently incorporated, advises the Manufacturers Record that it will use the trade-mark 'Citrola' for its products. It is now establishing a plant at Tampa for the extraction and preparation of fruit juices, which it hopes to have in operation for the coming crop. Branch factories will be organized in fruit centers most convenient to growers, which will require only a small capital to operate, it is said, as the company will supply its patented extracting machines, formulas, equipment and instructions to operate. These plants are expected to be of great benefit to growers, enabling them to save much of their waste fruit."

Grain Rates — The press to-day says: "Minimum rates of import duty on Canadian grains and flour, effective September 6 and lasting until December 31, have been granted by Czecho-Slovakia, according to a cable dispatch received at the Department of Commerce. As a result of this concession, until the beginning of 1927, Canadian and United States grains and flour imported into Czecho-Slovakia will enjoy the same rates of duty."

Milk Marketing in New England — An editorial in New England Homestead for September 4 says: "In all probability the sales committee of the N.E.M.P.A. acted wisely last week in not advancing the price of milk. Weather conditions throughout much of the producing territory have been such as to favor liberal production without corresponding increases in consumption. Hence the basic price remains at 8 1/2 cents a quart for September, the same as for last month. The directors did well to invite Federal authorities to turn loose their new cooperative machinery in New England. A thorough-going study by unbiased experts ought to give us some very valuable information. For several years there has been a strong feeling among some of our dairy

leaders that New England should have one strong, efficient and aggressive dairy marketing organization. On the other hand, some feel that the marketing unit should not be so large, perhaps not extending beyond State lines. Others have still different ideas. Past experience has shown more or less sectional feeling creeping into discussions. Therefore, if the Government experts dig into all phases of the problem, their final recommendations might offer something upon which we all could unite. That would be a very distinct step forward. We trust that the invitation of the N.E.M.P.A. will be accepted."

Wheat Transportation Cooperation

An editorial in Farmstead, Stock and Home for September 1 says: "The manner in which the record breaking rush of wheat to southwestern markets was handled by the railroads is a striking illustration of present day railroad efficiency. The Santa Fe, the largest grain carrying road in the district, handled 28,153 cars of wheat in the first 29 days of July, compared to the previous record of 13,188 cars for the same period, July 1924. The Rock Island handled 1,090 cars a day, compared to its previous high record of 700 in the same year. It would not be strictly true to say there was no car shortage. Some branch lines did have to pile wheat on the ground for a short time, but it was all cleaned up early in August. After giving the railroads full credit for efficiency, it is only fair to state that it would have been impossible for them to have rendered the service they did, had it not been for the Trans Missouri-Kansas Shippers Advisory Board, which placed the requirements of the shippers before the operating heads of the railroads in ample time for action. The advisory board eliminated the guess work as to needs, which was a rule before the establishment of these boards. Last year, it will be remembered, the Northwestern roads handled an unusually early large movement of spring wheat without a car shortage, the Northwest Advisory Board then functioning as the Trans Missouri-Kansas Board did this season. These results have been reached by applying the principles of cooperation, again demonstrating that getting together is far better than fighting, even in the case of shippers and railroads. We used to scoff at the idea of any cooperation between these groups. It was said and conscientiously believed their interests were absolutely opposed."

Section 3

Department of Agriculture

An editorial in The Washington Post for September 11 says: "The Federal Trade Commission says, in a report to Congress, that 'increased attention should be given to the elimination of the purely gambling element from the grain market.' This is a subject that has been considered by Congress for many years....Congress enacted the Grain Futures law of September 21, 1922, which the Supreme Court, April 16, 1923, held to be constitutional. This law is now in operation....The intention of Congress was to dispel the mystery which has always beset the public mind with reference to trading in grain futures. The Department of Agriculture has been collecting accurate information. The volume of trading in grain futures on each of the principal boards of trade has been published ever since 1923. The several boards of trade have cooperated with the Department of Agriculture in making public all grain futures transactions, and in correcting whatever abuses existed. It is often argued that future trading in grain tends to stabilize prices. The Federal Trade Commission denies this. It says: 'Under existing conditions of speculation in grain futures, no such stabilizing influence has been found.' In his annual

report for 1925 the Secretary of Agriculture discusses this matter, calling attention to the general trend of the price of wheat downward before the Grain Futures act went into effect, which was halted in July of that year, three months after the law became operative....The Secretary of Agriculture seems to believe that dealing in grain futures, when conducted under the present law and through the cooperation of boards of trade, tends to stabilize prices. However, this is a mooted question. Obviously the primary responsibility for observance of the requirements of the present law is imposed upon the boards of trade, subject to Government supervision. The gambling element in the grain market may be eliminated largely by the boards of trade, under Government supervision, without further radical legislation injecting the Government into business."

Section 4
MARKET QUOTATIONS

Farm Products For the week ended Sept. 10: Top price of hogs at Chicago was 15¢ higher than a week ago while bulk of sales was 15¢ to 25¢ higher. Beef steers continued steady, price gains being mostly 25 to 50¢ higher than a week ago. Heifers showed some price improvement. Cows and heavy calves declined throughout the week, while vealers were $1 lower than last Friday. Stockers and feeders advanced 25¢ to 35¢. Fat lambs, yearling wethers, fat ewes and feeding lambs showed price gains of 25¢ to 50¢. New York wholesale fresh meat market for good grade western dressed meats is steady to $1 higher on steer beef, $1 to $2 higher on veal, mutton and light pork loins, $2 higher on lamb, and $1 to $3 higher on heavy loins.

Northern sacked Round White potatoes 55¢ to 65¢ higher on the Chicago carlot market per 100 pounds and 35¢-45¢ higher f.o.b. Waupaca. New Jersey and Long Island sacked Cobblers generally 35¢-60¢ higher in eastern cities; North Carolina and Virginia yellow sweet potatoes about 50¢ lower per barrel. Eastern Elberta peaches tend slightly lower per bushel basket in terminal markets. New York Oldenburg apples 65¢-85¢ per bushel basket in eastern cities. New York domestic type cabbage $18-$22 bulk per ton in the East, top of $28-$30 in Cincinnati.

Average price of Middling spot cotton in 10 designated spot markets declined 32 points during the week, closing at 17.37¢ per lb. October future contracts on the New York Cotton Exchange declined 21 points, closing at 17.39¢, and on the New Orleans Cotton Exchange they declined 18 points, closing at 17.42¢.

Grain market firm. Wheat prices slightly higher than week ago. European demand more active account wet harvest there. Good millings wheat moving readily in domestic markets. Corn prices sharply higher. Warm dry weather needed to hasten maturity of crop. Oats practically steady.

Hay market quiet. Offerings most markets liberal with moderate demand. All classes good hay Chicago moving readily. Alfalfa market dull and out of condition, hay selling at sharp discounts. Prairie about steady. Stockyards moderate buyers shipping demand poor. Feed market again draggy. Wheat feeds practically unchanged. Demand slack but production lighter account reduced flour inquiry. Linseed meal barely steady. Production increasing but some export business developing. Cottonseed meal quiet. Cotton crop forecast smaller than last year but still large. Corn feeds draggy. Gluten feed weak in eastern markets where offerings unusually heavy. Hominy feed firm in East but slow in Central West. Alfalfa meal quiet with offerings light. (Prepared by Bu. of Agr. Econ.)

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Vol. XXII, No. 63 Section 1 September 14, 1926.

GOVERNOR HAMMILL ON FARM SITUATION

A Des Moines dispatch to the press to-day says: "Vigorous denial of the published assertion of Henry J. Allen, former Governor of Kansas, that 'the present condition of the Iowa farmer is not the result of bad prices but it is the reaction from a giant speculation in real estate,' was voiced yesterday by Governor Hammill of Iowa. The Governor made public a letter protesting to the former Kansas Executive that 'something happened to the farmers of the United States between 1910 and to-day that is not explainable on the hypothesis of land speculation in Iowa.' He conceded that in some instances land had sold beyond its value with disastrous results to those interested. The Governor indicated he favored the view of Government agricultural economists that 'the decline in the relative position of agriculture from 26.7 per cent of the total wealth in 1912 to 20 per cent in 1922 is due almost entirely to the deflation in values of agricultural real estate and equipment.' The letter admitted the purchasing power of farm products had improved in the last three years, but asserted that agriculture is not yet able to hold its own because of disproportionate production costs. Finally, the Governor pointed out that the conditions are not peculiar to Iowa among the corn States."

WHEAT TRADING REPORT

A Chicago dispatch to The New York Times to-day reports: "A fifty million dollar wheat pool, backed by eastern speculators and politicians, is believed by many traders on the Chicago board to have been created to sustain wheat prices with the object of winning the farmers' support at the November elections. That interpretation of the market, however, is not shared by others. Some local traders declare that for years there has been a large number of rich eastern speculators mostly on the buying side of wheat, although occasionally selling short. These easterners are said to have made immense profits, but no one can estimate how much.

"Local traders were greatly excited on Saturday by reports of the buying of between 5,000,000 and 8,000,000 bushels of wheat, attributed to Jesse Livermore of New York. A great deal of this showed a profit of 2 cents a bushel, which on 8,000,000 bushels would mean a gain of $160,000."

THE SECRETARY AND ARMOUR HEAD ON PRICES

An Associated Press dispatch to-day from Chicago says: "Prices of dressed meat have reflected such declines as have taken place in prices for cattle, said F. Edson White, president of Armour & Co., in a letter made public yesterday to Secretary of Agriculture Jardine. 'We have noted in the press,' he said, 'your report to President Coolidge on the agricultural situation, in which you are quoted to the effect that the price of cattle has dropped $4, although the price of dressed meats has not declined. Evidently the statement attributed to you is based on a serious misapprehension. The fact is that cattle have not declined $4 per hundredweight and that beef has reflected such declines as have taken place.' Mr. White listed prices on cattle from January to July at $7.60 to $8 per hundredweight and on dressed beef from $13.73 to $14.62 per hundredweight, showing that the latter varied with the former."

Section 2

Babson on Business

A Wellesley Hills, Mass., dispatch to the press of September 13 says: "'A distinct recession in business and possibly a panic within two or three years would not be surprising,' Roger W. Babson, head of the Babson Statistical Organization, told delegates to the thirteenth annual National Business Conference, which opened September 11. Such a decline would be merely temporary, he added, but when it comes 'it will be the result of overextension of the instalment business, which to-day is eating into the vitals of business like a cancer.' Readjustment would bring industries to greater heights than ever, he added...."

British Columbia Apples

British Columbis expects a record fruit crop this year, says a Canadian Pacific bulletin in announcing a forecast of 1,208,500 barrels of apples, which, if realized, will be an increase of 29 per cent over the 1925 production, and also as much over the average for the last five years. Pears are expected to increase 500 per cent, for the crop last year was 16,484 boxes, while 100,900 are predicted this year.

British Foot and Mouth Precautions

The Field (London) for September 2 says: "The Minister of Agriculture has been pressed by both the Government of the Netherlands and by importers to withdraw the prohibition of the importation of carcases so far as it relates to fresh meat from Holland. It is claimed by these interested parties that the precautions taken in Holland to insure the efficient inspection of the carcases offer a sufficient guarantee that those liable to carry infection would not be sent to this country. We are glad that the Minister has stood firm against this attempt to persuade him to abandon the policy he is now pursuing.... "

Cooperation

An editorial in The Christian Science Monitor for September 9 says: "In his thoughful discussion of the farmers' problem before a sympathetic audience composed of his friends and former neighbors in Kansas, Secretary Jardine of the Department of Agriculture in Washington wisely pointed out the need of some inclusive organization for supervising the selling, to the best advantage, of all the varied products of the farm. But he was frank to admit that no one has yet been able to devise or prospose a practical system which will effectively dispose of the products of the six and a half million farms in the United States. And it is just there that the economic shoe pinches. Those who produce the surplus crops which each year must be placed upon the market in their season, as well as those who, as ultimate consumers, pay the price demanded for them, would welcome the working out of some method which would insure to the farmer an unlimited and uncontrolled market for everything he has to sell, and to the consumer an abundance of those commodities at prices fair to both buyer and seller. The varying successes achieved by grower-controlled selling agencies formed for the purpose of marketing the products of California orchards and vineyards have often been cited to encourage the formation of similar organizations among producers of wheat, corn, cotton, dairy products and potatoes. But it should be remembered that the growers of highly specialized products in California, as well as in Florida and some other sections of the country, have a distinct advantage, because of favorable climatic and seasonal conditions which enable them to virtually fix the price at which they are willing to sell, and to prevent, usually, the overloading of the markets at points of distribution. Even with this, a failure or partial failure of the regulatory or supervisory plan is not unknown. By any purely one-sided arrangement it is never absolutely possible to

control both the buying and selling end of a transaction. Realizing this, the necessity is seen, if the success of any marketing plan is to be assured, of making the interests of buyer and seller identical, or at least common. This necessarily contemplates a widespread and inclusive system, not of collective selling, merely, but coupled with it a self-supporting system of cooperative marketing. Now the perfecting of so complicated a method as this may seem to be at first blush will require something more than the enactment of a law or the adoption of formal, high-sounding resolutions. It will require the creation of public sentiment sufficient to support such a plan and assure its success and permanence. Its operation, finally, should insure to all producers a higher price for the commodities they offer for sale, and to the consumers an opportunity to buy at prices far below those they are, under present conditions, compelled to pay....."

Cotton Pickers Needed A Fort Smith, Tex., dispatch to the press of September 13 states that cotton pickers in neighboring States will be recruited to aid in harvesting the bumper Texas crop, according to C.W.Woodman, superintendent of the United States Farm Labor Bureau for the Southwest. Ten thousand laborers are needed immediately, according to Mr. Woodman. About 300 pickers are being released daily from the area south of San Antonio and sent to the northern fields, but that number is insufficient to cope with the situation. Several hundred pickers also are being released each week through the Farm Labor Bureau in Laredo.

Crop Season An editorial in The Journal of Commerce for September 13 says: "The season of the year has now been reached when it is possible to obtain a fairly accurate general idea of the success of the crops. In the absence of unusual developments during the remainder of the season, the farmers of this country will without much question harvest fairly satisfactory yields. The corn crop is distinctly better than it promised at one time to be. Fruits have done well and minor crops are reported to be fair to good. So far as wheat is concerned we are somewhat in the position we enjoyed in 1924--an abundant crop here and inferior yields elsewhere. This state of things will, of course, tend to keep prices in our market up and bring the wheat growers good prices for their products. In this way the rather unsatisfactory state of things in spring wheat territory will be offset, in part at least, although naturally producers in those particular districts will not be fully recompensed....It is to be noted that the volume of production on our farms this year is in considerable degree a matter of large acreage. As events have shaped themselves it is probably as well that rural producers undertook rather large scale operations. Otherwise short crops, at least in some instances, would have resulted. Yet it must be admitted that the outcome thus to be considered satisfactory was more the result of good fortune than of good planning. The farmer of this country will certainly be in a much stronger strategic position to demand more favorable attention at Washington if, when and as he shows more aptitude and more willingness to manage his own affairs with greater insight and better business judgment....."

Road Deficiency William P. Helm, jr., writing in The Washington Post September 13 under the title, "Inadequate Roads Threaten to Ruin Motorcar Traffic," says in part: "Paralysis of motor traffic in many sections of the United States is threatened within the next few years unless there is a

speedy and complete revision of the Nation's highway construction progra Surveys undertaken in various localities recently by the Federal Bureau of Public Roads and by private organizations indicate clearly that within the next four or five years hundreds of millions of dollars must be added annually to the $1,000,000,000 a year now being spent to construct and maintain highways. Leaders in the automotive industries and Federal officials are well aware of the danger of a breakdown which lies apparently close ahead. Roads being built to-day are utterly inadequate to care for the increased demands made on them by the passenger cars, trucks and motor buses at the present time. All the hard-surface roads completed in 1925 were barely sufficient to provide standing room for the new cars turned out by the factories. The much touted highway system of the United States, in the light of these surveys, is largely a myth. Instead of 270,000 miles of good road, as generally believed, there are in the United States to-day less than 65,000 miles of hard-surfaced roads of all kinds and descriptions. More than 125,000 miles of the 270,000 are nothing more or less than plain dirt roads, only partially graded and drained. They constitute, in poor weather conditions, an execrable pathway for travel...."

Roads Congress A Milan, Italy, dispatch to the press of September 12 says: "The Fifth International Roads Congress, which has been in session at Milan since last Monday discussing good roads and correlated subjects, has completed its work. The president of the permanent commission of the body said the next congress probably would be held in the United States in conformity with a desire expressed by the American delegation attending the sessions."

Traveler Expenditure in France Out of one hundred Americans travelling in France in 1925, two were millionaires, eighteen were classified as belonging to the wealthy classes, forty-four were persons travelling on business, such as manufacturers, merchants, etc., eight travelled for combined business and pleasure and twenty eight were students, teachers and holiday-makers in general. According to advices received by the Bankers Trust Company of New York from its French information service, the French National Tourists Office in collaboration with the Department of Trade in Washington has calculated the average expenditures in France of American tourists in each of these classes. Thus the average expenditures of the "millionaires" is estimated at $5,000, wealthy persons are supposed to spend an average of $1,750 each, men travelling on business $850, tourists combining business and pleasure $1,500, while the average expenses of students and holiday-makers are estimated at $425,- each and the aggregate expenditure of each one hundred American tourists is calculated at a total of $102,800. As there were 220,000 tourists from the United States in France in 1925, their total expenses are computed at $226,160,000 or (taking the average rate in 1925 of 22 francs to the dollar) 4,975,520,000 francs. France's "visible" exports in 1925 totalled 45,413,550,000 francs. The above rough estimate shows that her "invisible" exports to the United States amounted to a sum equal to 9.12 per cent of her "visible" trade, and in view of the marked increase in the number of tourists in the present year, and the higher average rate of the dollar "invisible" exports to the United States alone are expected to exceed 8 billion francs in 1926.

Section 3
MARKET QUOTATIONS

Farm Products

Sept. 13: Chicago livestock quotations: Top price of hogs to-day $14.65, bulk of sales at $10.50 to $13.90.

New Jersey and Long Island Irish Cobbler potatoes $2.65-$3.35 per 100 pounds in eastern markets. Northern sacked Round Whites $2.60-$2.90 carlot sales in Chicago; $2.20-$2.30 f.o.b. Waupaca. Virginia Yellow variety sweet potatoes $3.75-$4.50 per barrel in eastern markets; $3.25-$3.50 f.o.b. Tennessee Nancy Halls $1.25-$1.35 per bushel hamper in the Middle West. New York Domestic type cabbage $15-$22 bulk per ton in city markets; $8-$9 f.o.b. Rochester. Eastern Yellow variety onions $1.50-$1.90 sacked per 100 pounds in consuming centers; mostly $1.50 f.o.b. Connecticut Valley points. Midwestern stock $1.65-$2. Pennsylvania and New Jersey Elberta peaches $1.25-$1.50 per bushel basket in eastern markets. Michigan Elbertas $2-$2.25 in Chicago; $1.60-$1.75 f.o.b. Benton Harbor.

Average price of Middling spot cotton in 10 designated markets declined 4 points, closing at 16.86¢ per lb. October future contracts on the New York Cotton Exchange were unchanged at 16.95¢, and on the New Orleans Cotton Exchange they were 21 points higher, closing at 17.01¢.

Closing prices on 92 score butter: New York 44 1/2¢; Chicago 43¢; Philadelphia 45 1/2¢; Boston 44 1/2¢.

Closing prices at Wisconsin primary cheese markets: Flats 22¢; Single Daisies 22¢; Longhorns 22 1/4¢; Square Prints 23¢.

Grain prices quoted: No.1 dark northern-Minneapolis $1.39-$1.50. No.2 red Winter-Chicago $1.34; St.Louis $1.37. No.2 hard winter-Chicago $1.37. No.3 yellow corn-Chicago 83¢; St.Louis 81¢; Minneapolis 82¢. No.3 white oats Chicago 40¢; St.Louis 41¢; Minneapolis 38¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 13,	Sept. 11,	Sept. 12, 1925
20 Industrials	158.97	162.16	145.95
20 R.R. stocks	119.98	120.10	102.22

(Wall St. Jour., Sept. 14.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXII, No. 64 Section 1 September 15, 1926

BUSINESS CONDITIONS

A Paul Smith's dispatch to the press to-day says: "The retail trade feels the strongest confidence in the continuance of good business based upon prosperity which is shared generally by all classes, Herbert J. Tily, president of the National Retail Dry Goods Association, and Lew Hahn, its managing director, told President Coolidge yesterday in presenting to him a telegraphic report of business conditions observed by leading merchants....The summary of the business situation and outlook left with Mr. Coolidge, said: 'Firm confidence in the continuance of general prosperity in the United States is the outstanding feature of practically all replies to a telegraphed inquiry addressed by the National Retail Dry Goods Association to members in all parts of the country....Replies coming from sections in which retail merchants must depend greatly upon agricultural conditions reflect the desire of such merchants to contribute thought to the solution of the farmer's difficulties.....'"

THE PRESIDENT AND TAX REDUCTION

A dispatch to-day from Paul Smith's, N.Y., says: "President Coolidge yesterday expressed opposition to the proposal by Senator Simmons of a $560,000,000 tax reduction in the next Congress. This can not be done, he holds, if the present fiscal policy of the Government of paying off the national debt and piling up a surplus to cancel Liberty Bonds is carried out, and he intends to adhere to that policy as the best method for the country and business....."

GRAIN RATE CUT URGED

A Minneapolis dispatch to the press to-day says: "Authorization for a 6-cent cut in all-rail grain and flour rate to the eastern seaboard is sought by the Minneapolis & St.Louis Railway because of waterway competition and rate 'discrimination' against Northwest farmers. This was brought out by Minneapolis & St. Louis spokesmen at the opening yesterday of the Interstate Commerce Commission's hearing on the proposed reduction. The See Line also seeks the rate reduction. M.M. Joyce, counsel for the Minneapolis & St.Louis, said even with this cut Minneapolis would be 'forced to function under a rate handicap at least 9 cents per hundred pounds from the territory involved as compared with a lake route to trunk-line territory.' The road proposes the establishment of joint through all-rail proportional rates from Minneapolis to points in trunk-line territory, to apply on grain and grain products. Other railroad executives charged the present rate was making the Northwest farmers suffer."

LONDON WOOL SALES

A London dispatch to the press to-day says: "The fifth series of wool auctions opened here September 14 with offerings amounting to 12,049 bales. Prices were firm. There was a good demand from home and Continental buyers. Merinos and fine cross-breeds were generally 5 per cent dearer and medium and coarse cross-breeds, 7 per cent higher. Cape of Good Hope and Natal wool moved slowly and the bulk of the offerings was withdrawn, Punta Arinas advanced 5 per cent."

Section 2

Apple Crop

A Wakefield, Mass., dispatch to the press of September 14 says: "The commercial apple crop of the country promises to exceed by 27 per cent that of last year when 33,044,000 barrels were harvested, the New England crop reporting service forecast yesterday. The crop showed a gain of 6.3 per cent in the past month. In New England the crop was lightest in Maine and Vermont and heaviest in the three Southern States. Massachusetts promised to lead in size and quality of fruit with Connecticut and Rhode Island close seconds and New Hampshire next."

Crop Report Results

An editorial in The Wall Street Journal for September 14 says: "Farm purchasing power this year should remain at approximately the same high level as in the previous season. The official estimate of the condition of crops as of September 1 makes this appear fairly certain. At the present level of prices the total farm production should have a money value slightly less than that of last year, but not enough so as to make any serious reduction in spending power. Taking the country as a whole, farmers have been obliged to contend with a season unusually perverse. But notwithstanding weather, and doubtless in some areas because of it, the composite condition of all crops has improved 5 per cent since the first of July, and now is but 2 per cent below the average of the past five years. The planted acreage is large, and most prices are remunerative. The returns prove that the economic condition of agriculture is one of gradual improvement. One of the most satisfactory features of the report is to be found in the truck garden and orchard production. As these products are not dealt in on the exchanges for futures they are given but scant attention in the news. They are of great importance as one of the unseen influences affecting business. Anything that gives transportation a million carloads of freight is of importance to that industry. Our foreign trade also feels the influence of these products. Last year the exports of fruits and nuts alone amounted to more than those of wheat and flour. In the grain crops, winter wheat is the only one to show a good yield. Most of the others are less than last year.... We have 839,000,000 bushels of winter and spring wheat. A large proportion of this is hard wheat, which is sought by domestic milling interests. Only 48,000,000 bushels is durum, of which domestic use will call for about half. Canada has about 400,000,000 bushels compared with 411,000,000 last year. The two countries have a total of 1,239,000,000 bushels against 1,077,000,000 in 1925. The total carryover of old wheat is unusually small. Twenty-five foreign countries, in the northern hemisphere, are thought to have 1,828,000,000 bushels of wheat against 2,043,000,000 last year. Their rye crops also are smaller than last year. Once again the large crops of Russia are proving to be mere figments of Soviet imagination. The chief elements of uncertainty are in Argentina and Australia. A greater than normal production would be necessary for them to make an embarrassing world surplus, while any crop trouble there would pinch the supply. At present a fair price seems assured for our own wheat growers."

Dollar Value

An editorial in The Magazine of Wall Street for September 11 says: "With the steady decline in commodity prices as a result of increasing world production, the outlook is for at least a further reduction in the cost of living. Such a development is necessarily slow but it seems already in process. Looking back some years, it is not difficult to see that a more or less considerable transformation has already taken place.

The purchasing power of the dollar has steadily increased from less than 50 cents a few years ago to about 65 cents. Clothes and food are somewhat cheaper and in due course rents will be lower. Cost of borrowing, of course, is considerably less. Possibly in less than five years, the value of the dollar should rise to at least 75 cents. With the increasing worth of the dollar, it is clear that fixed-income bearing securities will be worth more. It is this long-range possibility which gives greater and greater assurance to holders of sound bonds and preferred stocks.

Egyptian Cotton Yield

A Cairo dispatch to the press of September 14 states that the official preliminary estimate of this year's Egyptian cotton crop gives the following totals: Long staple seed cotton, 2,951,557 cantars; ginned cotton, 2,863,010 cantars. Other varieties of seed cotton, 3,599,337 cantars; ginned cotton, 3,935,056 cantars. (The cantar is equivalent to a fraction over ninety-nine pounds.) The report states that the estimate is subject to modification, as the crop may be affected by atmospheric changes or pests.

Farm Prosperity

An editorial in The Wall Street Journal for September 13 says: "'Farmers in many sections are not getting their share of prosperity,' said Otto H. Kahn recently. The Wall Street Journal published the statement, and a reader challenging it says: 'What does Mr. Kahn mean by this? Prices of farm products have increased the past year. There no longer seems to be need for Government aid. Practically all articles that the farmer raises are protected by duty. Prosperity never comes to all sections in all lines of business at the same time, but goes from one to another like the ripples of the sea. Are not the farmers getting prosperity--are they not getting their share?' Mr. Kahn was correctly speaking of limited sections of the country. The reader who takes issue with him is looking at the farming community as a whole. There are numerous angles to his two questions that make it impossible to give a direct answer of yes, or no, because a small volume would have to be written to explain the reasons. For instance, the purchasing power of the agricultural dollar is less than 100 cents. But to cover this would involve a discussion of the tariff, wages, labor, immigration and some foreign affairs. Who is to decide what is a man's share? The havenots envy those who have and feel that they are the victims of injustice. They do not look within themselves to see if there is any inefficiency to account for their lack of success....On the other hand, those who have prosperity feel that it has been fairly earned, the fruit of industry, frugality and business enterprise. The two types can be found in agriculture as well as in every other walk of life. Farm prosperity depends upon something more than mere ability to produce a good crop. Industry alone will not wrest prosperity from the soil any more than from any other vocation. The United States Steel Corporation is wonderfully well equipped in technical knowledge and means for steel making. But all that great capacity for production would be useless if behind it were not a remarkable array of business talent. Like steel making, farming is a business. Without business methods productive capacity and ability will not bring prosperity. Take an extreme case, in illustration. During the post-war boom some farming lands in Iowa sold for more than $600 an acre. The interest would be $36 an acre and taxes would be assessed on that valuation. The soil of Iowa is fitted for corn and its farmers know how to produce it. The average yield is 37.9 bushels to the acre. The cost varies on every farm, but assume the labor to be $12 an acre.

Add this to the interest, taxes and other expenses and it will be seen that a farm price of $2 a bushel would be necessary to pay cost of production. That is two and a half times the average price. Business would say the farmer paid too much for his corn factory. Farm prosperity must depend upon business on the farm."

Farm School Drive

The New York Times for September 14 reports that Senator Arthur Capper of Kansas, speaking at the official opening of the National Farm School expansion project September 13 [illegible] at New York, declared that the keystone of all future success in farming depended upon the proper training of American youth in all branches of scientific agriculture. The occasion was the formal launching of a national campaign to raise $5,000,000 within the next three years to enable the school to carry out its immediate plans of expansion. The school, which is national and not sectarian, is at Doylestown, Pa., and offers a three-year course to youths interested in farming.

Section 3

Department of Agriculture

An editorial in The Journal of Commerce for September 14 says: "What has become popularly known as 'range' forecasting the cotton crop is now said to be under fire in cotton producing districts of the South. As is well known, the Department of Agriculture during the present season has added to its usual figure of indicated output an estimate of what the crop is likely to be if weather and other conditions subsequent to the report in question are particularly favorable and another estimate representing probable output should later weather be exceptionally adverse. In short, a range of possibilities or probabilities is thus presented, and it is this that producers are now said to be displeased with. ....As to the changes that have been instituted in the scope of current crop reports it may be said that to the extent that these additions tend to impress upon the public mind the tentativeness and indeed the probable inaccuracy of the estimates of the Government they are a good thing. Beyond that they ought not to have, and probably do not have, much influence one way or the other, and are of but secondary importance of any sort. If interests in the South expected any marked results from the new methods of the department they, of course, are naturally disappointed, but it is more than doubtful if they can with truth point to any particular harm that has been done. The simple truth of the matter is, as it has been all along, that no satisfactory system of forecasting can be developed by the Department of Agriculture or any other Government office. It is not given to man to look very far into the future. When an official forecast is made the more gullible elements in the population, and that includes most of them, unfortunately obtain the idea that some magic method has been found by which public officials can do what man has never been able to do. For that reason there is but one cure for the situation and that is for the Government to go entirely out of the forecasting business...."

2 An editorial in The Northwestern Miller for September 8 says: "In these columns, last week, comment was made on the 'intention to sow' bulletin recently issued by the Department of Agriculture, forecasting, on the basis of returns from forty thousand farmers, the probable acreage of winter wheat to be seeded this autumn....Following the 'intention to sow' report, the department released a further statement, based on the

acreage forecast, in which it estimates an exportable surplus of two hundred million bushels in 1927, discusses world conditions and acreage in considerable detail, and predicts a generally low price for wheat.... It may fairly be assumed that the purpose of these releases by the Department of Agriculture is to discourage, by emphasis on bearish price arguments, the sowing of an excessive acreage to wheat this autumn.... Whatever the purpose, it does not appear to be within the province of Government....to argue the possibilities of wheat production and their price effects in the style and manner of a racing form chart. The worl value of wheat is subject to a hundred influences, of which the sown acreage in the United States is far from most important....It is possible that, with apparently wide acquiescence in increased pate lism of Government, there may be some province for the Depaftment of Agricultur to counsel farmers in the matter of planning production and rotation of crops to meet anticipated requirements. It is, however, difficult to concede that this province can be extended to encompass prescience in t forecasting of produdtion and prices, even when effort is made to base forecasts on historical data, averages and reasonable probabilities. The price of wheat may conceivably, through the influence of elements n now apparent, reach unprecedented heights before the harvest of 1928... The United States might, by reason of Government forecasts leading to subnormal seeding, fail to produce wheat for its own 1927-28 requir emen ....The supply of bread is never more than a few weeks behind world hunger. Forecasts and predictions may, perhaps, have their place; but it is a dangerous thing, certainly not within the province of Government, to undertake, by price prophecies, to influence the production of bread grain."

Section 4
MARKET QUOTATIONS

Farm Products Sept. 14: Chicago livestock prices: Hogs, top, $14.10, bulk of sales $10.50 to $13.50. Beef steers choice $11 to $11.75, good $10 to $11, medium $8.40 to $10.25, common $6.50 to $8.35. Heifers, good and choice $7.90 to $11, common and medium $5.65 to $8.65; cows good and choice $5.50 to $7.65, common and medium $4.50 to $5.50, low cutter and cutter $3.50 to $4.50. Vealers, medium to choice, $9.50 to $14, heavy calves, medium to choice $6 to $8. Fat lambs, medium to choice $12.50 to $14.85, yearling wethers, medium to choice $9.75 to $13, fat ewes, common to choice, $5 to $7.25, feeding lambs, medium to choice, $12.75 to $15. New York wholesale fresh meat prices: Steer beef $16.50 to $17.50, veal $22 to $24, lamb $26 to $28, mutton $14 to $16, light pork loins $35 to $36, heavy loins $21 to $26.

Average price of No.5 or Middling spot cotton in 10 designated markets declined 23 points, closing at 16.63¢ per lb. October future contracts on the New York Cotton Exchange declined 20 points, closing 16.75¢, and on the New Orleans Cotton Exchange they declined 39 points closing at 16.57¢.

Grain prices quoted: No.1 dark northern-Minneapolis $1.42-$1.5 No.2 red winter-Chicago $1.37; St.Louis $1.38. No.2 hard winter-St.Louis $1.38. No.2 yellow corn-Chicago 83¢. No.3 yellow corn-Chica 82¢; St.Louis 81¢; Minneapolis 82¢. No.3 white oats-Chicago 40¢; Minneapolis 39¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XXII, No. 65 Section 1 September 16, 19

HARVESTING IN ALBERTA

A dispatch to-day from Calgary states that snow and rain hav again halted harvesting throughout virtually all of Alberta, with t exception of the eastern portion of the Province from the Maple Creek district to the Saskatchewan boundary, where threshing still continues. The snow was particularly heavy in the North.

LONDON WOOL SALES

A London dispatch to the press to-day states that the offerings at the wool auctions yesterday amounted to 10,721 bales. There was an active demand from France and Germany, and occasional Americ buying, under the influence of strong Continental competition. Finer grades of merinos were 7 1/2 per cent dearer, while medium and coarse crossbreds were frequently 10 per cent above July prices."

WOOL COUNCIL

A Boston dispatch to the press of September 15 states that t committee on permanent organization of the Wool Council of America met at the Boston Chamber of Commerce September 14 to complete its work, which is to draft a constitution, or articles of association, and to propose a list of candidates for offices. It has progressed so far that at the conclusion of the day's session it announced that it will be able to present a proposed constitution to the entire wool council at its next meeting, the date to be announced soon.

JULIUS BARNES SEES PROSPERITY

An Atlantic City dispatch to the press to-day reports: "Addressing the third international convention of life insurance underwriters on the Steel Pier at Atlantic City yesterday, Julius H. Barnes, former president of the United States Chamber of Commerce, predicted unbounded prosperity for the United States. Three factors, all of which are possessed by this country, the speaker said, determined the status of any people in the social scale--natural resources, habits of industry and stable Government. 'That America possesses in unequaled ratio a balance of these three great factors is partly in favor of nature, which has showered on our continent t great stores of raw material, out of which the manifold forms of national wealth are created. But it is also due to the flowering of the ideals of the founders of this Republic, who builded better than they knew,' said Mr. Barnes. American genius, Mr. Barnes asserted, had supplanted the slow production of the bent backs of labor by the large-scale production of power-driven, super-intelligent machines. This, he said, was evidenced by the production in the automobile industry of an average of eleven cars per year by each worker, instead of two cars per year by methods of only twelve years ago. 'We have placed more nearly in accurate relation than in any previous era the superiority of intellect over mere brawn,' he went on. "

Section 2

Electricity and National Prosperity

A Philadelphia dispatch to the press of September 15 says: "Superpower and the automobile promise to add greatly to the national wealth of the United States, increase the prosperity of the average family and bring agriculture back into step with industry, Guy E.Tripp, chairman of the Westinghouse Electric and Manufacturing Company, told the Congress of American Industry in session at Philadelphia September 14. Mr. Tripp asserted that electricity had gained for the United States the industrial supremacy of the world, and added: ...'Superpower is making more power available almost anywhere, and is making it possible for industries to leave congested centers, thereby permitting them to reduce costs and improve living conditions for the workers. This will mean a check on the growth of our cities, a revival of town life, a return of that contact of industry with agriculture which was formerly so advantageous to the farmer, and will make living conditions in the country comparable with those in the city!..."

Farmer's Dollar

An editorial in The Washington Post for September 15 says: "In order to arouse the prejudice of the farmers it is repeatedly asserted that 'the purchasing power of the farmer's dollar has decreased from $1.12 in 1918 to 66.3 cents in 1926.' This is another way of stating that the prices of farm products, as compared with non-agricultural products, have declined nearly one-half since 1918. This is a misleading statement. The years 1918 and 1919 were years of inflated currency and inflated prices. The dollar of the farmer has been and is precisely the same dollar as that of the wage earner or manufacturer. Wheat was $2.50 a bushel in 1918 and is $1.25 a bushel in 1926, first, because the volume of paper dollars was so great in 1918 as to make their value low; and second, because the demand for wheat in 1918 was greater than the supply, while in 1926 the supply is greater than the demand. It is idle for any political party or any statesman to promise to raise the purchasing power of the 'farmer's dollar' by law. It is equally idle for any political party to promise to make wheat worth $2.50 a bushel by act of Congress. Yet this is practically what some politicians are promising the farmers. Is it proposed that the money returns from farm products shall be made higher, so that the 'farmer's dollar' shall be on a par with the manufacturer's dollar and the consumer's dollar? If so, the fact should be stated clearly, with all that it implies. It means that Congress is to be asked to raise the prices of farm products and then hold them at a high price, against the consumer. What would be thought of such a proposal if it should come from the consumers? A shortage of some foodstuffs may occur at any time, thereby boosting the price. If the politicians are now right in demanding that prices shall be raised, other politicians would then be right in demanding that prices be lowered. What is sauce for the goose is sauce for the gander. The producer can not have special legislation in this country without creating a similar demand from the consumer."

Federal Truck Law

The New York Times of September 15 reports that a resolution opposing any Federal legislation concerning the control of motor truck transportation was adopted at the monthly meeting of the Shippers Conference of Greater New York held September 14 at New York. W.H.Chandler, chairman of the legislative committee and manager of the traffic bureau of the Merchants Association, was authorized by the organization to be present at a hearing on the subject in Washington on Oct. 21. It was

declared that motor transportation is not a competitor of the railroads, as the cost is from two to eight times higher than the charges of railroads. Mr. Chandler declared that the railroads do not and can not perform the same service. He said that the restriction of motor transportation affecting the railroads brought recently to the attention of the Interstate Commerce Commission concerned the operation of passenger carrying buses. He said that the Reading Terminal Company of Philadelphia had reported a loss of 30 per cent in passenger traffic because of the operation of buses and added that the loss was not carried through to include motor truck transportation...."

An editorial on this subject in The Wall Street Journal for September 15 says: "Any business man's natural impulse would be to agree with the Merchants' Association when it tells the Interstate Commerce Commission that Congress need not extend Federal regulation over motor truck lines handling interstate traffic in this section. Regulation of railroad rates has no such scintillating record as to encourage the extension of like authority into new fields. The motor truck, like the motor bus, is too valuable in its proper field to allow of its legitimate development being subjected to any avoidable restriction. But the Commerce Commission is already charged with the duty to 'foster and preserve in full vigor' the steam railroads as well as other agencies of transportation. As the Supreme Court has said, it bears the responsibility of preserving a national transportation system responsive to the public need. It can not escape its obligation to protect the railroads in the enjoyment of adequate revenues and it is at least conceivable that it might under some circumstances have to give them greater consideration than it gave owners of motor truck fleets....While the motor trucks are not exactly engaged in making such warfare on the railroads, it is illogical that the steam carriers should be prohibited by law from making their own rates while competing agencies are free to do so. And if it is right that the I.C.C. should have power to say that railroad corporations shall not unnecessarily and wastefully duplicate existing facilities for interstate commerce, it should have the power to say that other corporations shall not do so. Extension of Federal regulation over motor trucks should proceed by short and experimental steps. Probably no such drastic powers as would be conferred by the bill introduced by the late Senator Cummins are necessary, though there is no reason to suppose that the Commerce Commission would exercise them with destructive effect."

Nebraska Livestock Exhibits

S. R. McKelvie, says in The Nebraska Farmer for September 11 that livestock exhibits at the Nebraska State fair this year are the largest in history. Especially is this true of cattle. "Thus it would appear that at least one branch of farming is getting back to normalcy," he comments.

Research at Columbia University

In announcing its program for the new school year, Columbia University, New York, states that a program of social and economic studies will be undertaken by the School of Business of the university. The report further says: "The school is also working with the United States Department of Agriculture Bureau of Agricultural Economics, the New Jersey State College of Agriculture at Rutgers University, the Port of New York Authority, the New York State College of Agriculture at Cornell University and the New York State Department of Farms and Markets in stimulating and coordinating marketing research...."

Secretary Work on Natural Resources

"Have We Wasted Our Material Birthright?" is the title of an interview given by Hon. Hubert Work to Theodore M. Knappen, and published in The Magazine of Wall Street for September 11. In this Secretary Work is quoted as saying: "For three centuries we have been an exploiting instead of a conserving people. We have avidly seized on the stupendous natural resources of this wonderful country and have rioted in individual use of them with little regard for the common good and less thought of posterity. So great was our store of natural wealth that it seemed inexhaustible and we could not visualize a time when the stock would run low and the day of exhaustion be near at hand. During these fat and easy centuries there has been built up a system of economic thought and a kind of commercial organization among our people that despise the minutiae of providence and frugality. Face to face, at last, with the grim fact that the word 'inexhaustible' is no longer applicable to our supplies, we still dislike to admit that national want may come to us, even as it has come to the old world nations that long ago exhausted their surpluses of natural wealth and now must struggle so painfully with the law of diminishing returns....The arable lands of the public domain are practically all transferred to private ownership. This is as it should be. Doubtless this transfer proceeded somewhat too rapidly at times for the prosperity of the farmers, the prevalent land hunger resulting in a more rapid extension of producing lands than of consuming markets. The alienation of agricultural land so rapidly was in line with our historic land policy, which was that the general interest would best be served by the distribution to individuals of the common landed property. No other policy was conceivable....One remarkable conservation feature there has been about the public lands from first to last: They have always remained national lands. Mostly within State boundaries, as the territories were transformed into States, the public lands have always remained national instead of State, except when they were reserved to the State as a condition or inevitable fact of statehood. The States have often clamored for ownership of the public lands, but Congress has always been faithful to the general instead of the local interest in this respect....If we can not say that the swift disposition of our agricultural lands was a mistake, what is to be said of the use that has been made of them--that is, from the conservation point of view? Frankly, we have abused them. By and large, American farming has been nothing less than the mining of the fertility of the soil....Scores of thousands of abandoned farms, some even in the Middle Western States, tell the tale of mined out and exported fertility. From now until doomsday millions of our farms will be merely feeding sites for plants, where they will be hand fed with extraneous plant foods--fertilizers; others have reverted or will revert to pasture land and forest. This is a dismaying picture, especially when you remember that there is a direct relation between the productiveness of the land and the grade of the people that live on it. A sterile soil always means a peasant population, weak in body and mind and low in intelligence. ...."

Section 3

Department of Agriculture

An editorial in The Journal of Commerce for September 15 says: "In reiterating the objections of the cotton trade to the fortnightly reports of the Department of Agriculture concerning the crop, one member of the trade recently asserted: 'Two weeks ago the trade guessed that the report was going to be bearish, postponed their purchases and were wrong, with

the result that they were forced to buy goods in an advancing market. Thi week they guessed that the report was going to be bullish and bought actively up to the time of its publication and were wrong again. Before th end of the week they will be guessing at the next report. The market would pursue a more even course if we did not have such frequent reports and our crop knowledge would probably be no less.' The obvious trouble here is that the trade was trying to guess at the Government's guess of the cotton crop instead of at the probable size of the crop itself. This of course, is a hopeless task. Yet what was the trade to do? The fact is plain enough that the market is noticeably influenced by the official reports--a good deal more so, at least for short periods of time--than by the sober judgment of the trade itself with respect to probable output. How easily all this might be avoided if only the Government would confine itself to the accumulation and dissemination of pertinent facts of a purely objective nature. It might then issue reports every day without subjecting the trade to the inconveniences it must endure."

Section 4
MARKET QUOTATIONS

Farm Products

Sept. 15: Chicago livestock quotations: top price of hogs $13.50, bulk of sales at $10.75 to $13.25.

Maine and Long Island sacked Cobbler potatoes $2.65-$3.35 per 100 pounds in eastern cities. Northern Round Whites $2.60-$2.80 carlot sales in Chicago; $2.15-$2.35 f.o.b. Waupaca. Virginia yellow variety sweet potatoes $3-$4.25 per barrel in eastern wholesale markets; $3-$3.25 f.o.b. New Jersey yellows $2-$3 per bushel hamper. New York and Massachusetts yellow variety onions $1.50-$2 per 100 pound sack in eastern consuming centers; $1.45-$1.50 f.o.b. Connecticut Valley. New Jersey and Pa. Elberta peaches $1.25-$1.50 per bushel basket in the East. Michigan Elbertas $2-$2.25 in Chicago; $1.75 f.o.b. West Michigan. New York and Michigan Oldenburg apples 75¢-$1 per bushel basket. Wealthys $1-$1.25.

Closing prices on 92 score butter: New York 44 1/2¢; Chicago 43 1/2¢; Philadelphia 45 1/2¢; Boston 44 1/2¢.

Closing prices at Wisconsin primary cheese markets: Single Daisies 22¢; Young Americas 22 1/4¢; Longhorns 22 1/4¢; Square Prints 23¢.

Average price of Middling spot cotton in 10 designated markets declined 54 points, closing at 16.09¢ per lb. October future contracts on the New York Cotton Exchange declined 52 points, closing at 16.23¢ and on the New Orleans Cotton Exchange they declined 27 points, closing at 16.30¢.

Grain prices quoted: No.1 dark northern-Minneapolis $1.40-$1.51. No.2 red winter-Chicago-$1.35; St.Louis $1.33; No.2 hard winter-Chicago $1.38, Kansas City $1.32; No.2 yellow corn Kansas City 84¢; No.3 yellow corn-St.Louis 81¢; Minneapolis 80¢; No.3 white oats-Chicago 40¢; St.Louis 40¢; Minneapolis 39¢; Kansas City 43¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 15,	Sept. 14,	Sept. 15, 1925
20 Industrials	159.35	160.57	143.89
20 R.R. stocks	120.58	120.96	102.37

(Wall St. Jour., Sept. 16.)

DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXII, No. 66 Section 1 September 17, 1926.

CAPPER ON FARM CONDITIONS

The New York Times to-day reports: "Senator Arthur Capper of Kansas, addressing the New York Rotary Club yesterday, declared the western farmer was at a serious disadvantage because he could not pass on to the consumer the increased costs of his production as other producers could. 'The farmer's dollar is worth 85 cents,' he said. 'Producers in other industries receive two dollars to his one. The manufactures of this country last year were worth $10,000,000,000, and they sold for $30,000,000,000. The middleman received the $20,000,000,000 profit, while the farmer, the real producer, had to be content with a nominal sum. The eight-hour-day law and the protective tariff are really price-fixing measures. The farmer should receive similar protection.' Agriculture was not as prosperous as industry, Senator Capper said. He declared that 23 per cent of the country's wealth was produced within a 500-mile radius of New York City, while the rest of the country produced the remaining 77 per cent. The West, he said, received only 14 per cent of the national income for its production of 77 per cent of the Nation's goods. He asked the Rotarians to think more about farm relief, but declared that he was opposed to subsidizing the farmer. The western and mid-western agriculturist was the greatest stabilizing force in the country, he said...."

WOOL MARKET

A Boston dispatch to the press to-day says: "Continued healthy activity on the wool market, with much strength infused into the price level, is creating a feeling among the wool men here that business will be good for the remainder of this year. There is a considerable amount of consigned wool here from the West, and the owners have set the price on it so high that millmen pass it by. It may be that the growers overestimate wool values a little, but they are taking the prevalent view that such changes in quotations as may come in the near future will be upward. It is said that the seller is getting the upper hand. Buyers are told to look at the strength developing on all the foreign markets. This is important just now, for stock conditions at home indicate that the manufacturers will have to turn to the foreign markets before long. In fact, they are buying liberally already. Imports this week amounted to 2,018,300 pounds, which is much more than last week...."

PROFESSOR CARVER ON PROSPERITY

Thomas Nixon Carver, Professor of Political Economy, Harvard University, in the American Bankers Association Journal, contributes an interesting item as to why the United States is prosperous and how long will our prosperity continue. We are prosperous, according to Professor Carver, because our ideals are not materialistic; because our productive achievement has been more desirable than passive consumption and because of the attitude of the typical American toward dollars after he has accumulated them. Professor Carver holds that it is safe to say that our prosperity will last as long as we succeed in releasing human energy and applying it to useful purpose, so long as men of high capacity in large numbers concentrate their energy on industrial problems.

Section 2

Ayres on Business

Business will continue to be good in the remainder of 1926, according to an article by Colonel Leonard P. Ayres, vice president of the Cleveland Trust Company, in the current issue of the Cleveland Trust Bulletin. Most lines of industry are prosperous, trade is progressing favorably, agricultural conditions and prospects are much better than they promised three months ago, and employment is general with wages high.

Cold Storage Plants in Florida

An editorial in The Florida Times-Union for September 9 says: "Jefferson County has taken advantage of the State law that was enacted in 1925 and that provides for State cooperation with counties that see the necessity for the erection and operation of cold storage plants and that take the necessary steps to provide same, with the aid of the State. These storage plants, it is believed, will enable farmers in Florida to market many of their products, fruits, vegetables, milk, poultry and eggs, particularly, with greater advantage to themselves and with more of satisfaction to consumers. In order that substantial encouragement might be given to those desiring the advantage of storage plants, the legislature enacted a law under which storage and drying plants may be established in such counties where there is local self-help in the direction indicated. In other words the legislature appropriated funds to pay one-half the cost of such plants, also authorized county commissioners to provide the other half of the money by levying a tax therefor or by issuing bonds, as for other improvements, which bond issues are to be voted on by the tax payers before being sold. Taking advantage of this law, Jefferson County, under the leadership of two of its most practically progressive citizens, W.B.Bishop and Charles F. Leach, respectively, president and secretary of the Jefferson County Chamber of Commerce, is proceeding with the work whereby it is possible for that county to establish and maintain a cold storage, curing and drying plant that, it is believed, will aid very greatly in promoting the agricultural progress and benefits of that county that agriculturally is one of the richest in resources that call for development and turning to profitable account...."

Cotton Textile Institute

More than ten million southern spindles and more than eight million northern spindles have been enrolled in the now forming Cotton Textile Institute. Twenty-five million is the goal for the near future. Total spindles in the United States number 37,000,000, of which 31,000,000 were active in July. Organization will be completed in October. "Formation of the Cotton Textile Institute is the most constructive move ever made by the American cotton mill industry," is the viewpoint expressed by A.C.Beane of the New York and New Orleans brokerage house of Fenner & Beane. "There are some problems of a vastly important character confronting the American cotton mill men," continued Mr. Beane. "These problems must be solved if the industry is to prosper. They can be solved through intelligent, well-directed endeavor. The Cotton Textile Institute can supply the required medium for joint thinking and acting. One of these problems relates to the purchase of raw material supplies, the proper use of hedges, and the economical distribution of the product. Another relates to the development of markets at home and abroad. Times have changed and methods which proved profitable a generation ago no longer yield adequate dividends....Changes have occurred in the marketing of raw cotton which have not been matched by corresponding refinements in the purchase of raw cotton supplies." (Fenner and Beane statement Sept. 10.)

Danish and American Farm Methods

An editorial in Hoard's Dairyman for September 10 says: "Quite often certain men interested in the development of agriculture cite Denmark's accomplishments in farm organizations and cooperative enterprises. Some of these persons would have it appear that Denmark has organized her agriculture on a 100% basis and that her dairy industry and cooperative efforts are much superior to those in this country. The farmers of Denmark are to be commended for their accomplishments in the past 60 years. What they have done is an outstanding example of what organization, cooperation, and the dairy cow will do in building a nation. However, it seems to us wholly unnecessary to misrepresent facts or to make faulty comparisons concerning the Danish farmer's accomplishments and what the farmer of this country has done. In our contacts with men who have had a large part in the development of the Danish cooperative system and from articles prepared by our Danish correspondents, we have not discovered that that country has better cooperative enterprises, that it obtains for the producer a larger share of the consumer's dollar, or that their methods of farming are superior to our own well developed dairy sections. H.P.Rasmussen of Steele County, Minnesota, and a former native of Denmark but a citizen of this country for 35 years, visited Denmark recently and in an address before a body of farmers made the following statements, according to the Chicago Dairy Produce:...'When I went to Denmark, I planned to spend much of my time in getting concrete information regarding Danish farming and Danish agricultural organizations in order that I might bring home some information that would be of value to my community and this section. I have nothing to offer you, however, because I found that American agriculture, at least in dairying communities, has reached a point so far in advance of Denmark's that there is no comparison.'...."

Farm Fire Losses

In the year 1925 fire caused a property loss in excess of $150,000,000 to farm property throughout the United States. This sum, which is equivalent to one-sixth of the net income of all the farmers in the country, would pay their annual interest on all borrowed capital and leave a tidy surplus of $50,000,000 as a sinking fund to pay off the principal. The loss is equal to one-half the value of all the crops raised in Indiana for the year, and amounts to $26.29 for every farm throughout the country. It approximates the total value of the entire agricultural output of such States as Michigan and South Dakota, and amounts to about three times the annual budget of the Federal Department of Agriculture with its 20,000 employees. Professor Christie of Purdue University recently pointed out that the fire loss on farms, in terms of lumber depletion, amounted to about 740,000,000 feet each year, or one-eighth of the total output of the lumber industry....Records compiled by the National Board of Fire Underwriters show that while lightning is the chief cause and is responsible for more than 13 per cent of the fires, causing a loss of about $20,000,000 yearly, it is closely approximated by the loss due to defective flues, which amounts to $19,000,000 a year. Sparks on roofs cause a $10,000,000 annual loss. (Press, Sept. 14.)

Farm Workers in France

Figures just compiled by the French Government Statistical Office regarding the number of workers for whom work was found by the employment exchanges show a decided "back to the farm" tendency during recent weeks, some of which is undoubtedly due to seasonal demand. According to advices received by the Bankers Trust Company of New York from its French information service, there is an ever growing demand for agricultural help as well as for workmen in most branches of industry. From July 1 to

August 7, i.e. during a period of five weeks, employment exchanges were able to provide 11,600 extra workers for farms or over 2,300 workers per week. A special feature this year has been the number of factory workmen who applied for work on farms during the summer season, and a certain number of unskilled laborers altogether gave up factory work for permanent employment on farms, explaining their decision by the excessive cost of town life.

Grain Shipments by River

A Minneapolis dispatch to the press of September 13 says: "Heavy grain shipments from Minneapolis by river are forecast next season as a result of freight rates announced by the Mississippi Barge Line Corporation, which will operate a fleet of river barges on the Mississippi next year. The barge rate from Minneapolis to New Orleans will be 20 cents, or 15 1/2 cents under the present all-rail rate from Minneapolis to New York. As New Orleans usually enjoys the same ocean rates as New York, it is believed this barge tariff will give Minneapolis an advantage as a wheat exporter. At present most of the grain from the Northwest shipped for export goes via Duluth over the Great Lakes. The barge line proposes also to offer reduced rates on grain and grain products from the Southwest to Minneapolis in an effort to get business in both directions. The reduction in rates by the barge line will not be limited to grain, but will apply to all commodities carried."

Highway Improvement Legislation

An editorial in The Indiana Farmer's Guide for September 11 says: "Last year the Tennessee legislature passed a law that should go further towards benefiting the human soul than its famed anti-evolution bill. This new law prohibits the erection of signs of any character on the right of way of all sections of the State highway system, and since December the department of highways and public works has been busy removing disfiguring billboards from the State roads. No State is utterly devoid of spots of scenic beauty, and measures should be taken to protect them from the ravages of commercialism....On the practical side, the beauty that is robbed from a tract of land by signboards takes with it a measure of the land's value on the real estate market. It is asking too much of the imagination that it pierce a wilderness of ugly signs and visualize in its place a lovely home in a fragrant garden. The realtors best advertisement is the natural beauty of his lots...We point with pride to the fact that Indiana, for several years, has enjoyed the boon that has come more recently to Tennessee, and express our hope that other States will not be slow to follow so wise a lead."

Land Values

An editorial in The Florida Times-Union for September 9 says: "A table published in the Blue Book of Southern Progress for 1926 shows the value per acre of cultivated land in each one of the States of the country. In this the Florida planter and grower can find satisfaction, for Florida heads the list, which is as follows: 'Florida's per acre value of all crops is $107; California, $79; Massachusetts, $73; New Jersey, $73; Connecticut, $66; Rhode Island, $64; Maine, $62; Arizona, $63; Delaware, $46; North Carolina, $44; Maryland, $42; Utah, $42; Washington, $42; Pennsylvania, $40; West Virginia, $40; Idaho, $40; New Hampshire, $38; New York, $38; Louisiana, $37; Virginia, $36; Vermont, $35; Kentucky, $35; Mississippi, $34; Wisconsin, $32; Oregon, $31; Arkansas, $30; South Carolina, $30; Texas, $29; Michigan, $29; Ohio, $28; New Mexico, $27; Alabama, $27; Tennessee, $27; Nevada, $26; Georgia, $24; Colorado, $23; Indiana, $22; Iowa, $21; Missouri, $21; Oklahoma, $20; Minnesota, $20; Wyoming, $17; Montana, $15; Nebraska, $15; Kansas, $13; North Dakota, $13; South Dakota, $11.'....In some of the States a particular section is

highly fertile and many acres are under cultivation which bring but slight returns. Some of the smallest States are raising crops that pay well and other States, with great areas under cultivation, get a very small per acre return. The unusual climatic conditions in Florida--unusual because prevailing in few other sections of the world--there is actual opportunity to make three and sometimes four crops on the same land during a twelve-month...."

Section 3

MARKET QUOTATIONS

Farm Products Sept.16: Grain prices quoted September 16: No.1 dark northern Minneapolis $1.42 to $1.53. No.2 red winter St.Louis $1.39; No.2 hard winter Chicago $1.40; Kansas City $1.33 to $1.41. No.2 yellow corn Chicago 82¢; Kansas City 86¢; No.3 yellow corn Chicago 81¢; St.Louis 81¢; Minneapolis 80¢. No.3 white oats Chicago 41¢; St.Louis 40¢; Minneapolis 39¢; Kansas City 44¢.

Middling spot cotton in 10 designated spot markets advanced 1 point, closing at 16.10¢ per lb. October future contracts on the New York Cotton Exchange advanced 9 points, closing at 16.32¢, and on the New Orleans Cotton Exchange they advanced 5 points, closing at 16.35¢.

Closing prices on 92 score butter: New York 45¢; Chicago 44¢; Philadelphia 46¢; Boston 45¢.

Chicago hog prices closed at $13.70 for the top, bulk of sales $11 to $13.50. All grades of beef steers are higher, the better grades showing the most advance; heifers range from 15¢ lower to 25¢ higher, while cows are generally 10 to 25¢ higher. Vealers also advanced 25 to 50¢ while heavy calves are practically unchanged. Stocker and feeder steers declined 25 to 35¢; fat lambs declined 10 to 50¢, while yearling wethers were steady to 25¢ off. Fat ewes show a gain of 25¢ while feeding lambs are 15¢ lower to 25¢ higher than a week ago.

Potatoes slightly weaker at shipping points and in Chicago; firm elsewhere. Long Island sacked Cobblers and Green Mountains $2.65 to $3.25 per 100 pounds in eastern cities. New York Domestic type cabbage slightly weaker in eastern cities at $12 to $22 bulk per ton; firm f.o.b. Rochester at $10 to $11. Oldenburg apples from New York and Michigan ranged 60 to 90¢ per bushel basket. Wealthys 75¢ to $1.25; New Jersey and Pennsylvania Elberta peaches $1 to $1.75 per bushel basket in eastern cities. Michigan Elbertas $1.75 to $2.25 in Chicago; $1.75 f.o.b. western Michigan. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Sept. 16,	Sept. 15,	Sept.16, 1925
	20 Industrials	158.71	159.35	145.87
	20 R.R. stocks	120.56	120.53	102.94

(Wall St. Jour., Sept. 17.)

DAILY DIGEST

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Vol. XXII, No. 67 Section 1 September 18,1928

THE PRESIDENT AND FARM AID

A Paul Smith's dispatch to the press to-day says: "After a ten weeks' vacation spent here, President Coolidge turns his face to the Nation's Capital...After consulting experts on the farm problem while on his vacation, President Coolidge announced that he had not yet decided what type of farm relief he would recommend to the next Congress. The feeling exists that the administration will permit its plans to bedome known before the November election....."

COOPERATION

"Cooperation As A Blind" is the title of an editorial in The Journal of Commerce for September 17, which says: "Word comes from Washington that one or more of the Government departments there are now planning extensive research into cooperation. Of course, it is agricultural cooperation that is chiefly in mind, but there is also an evident intent to give a good deal of attention to the 'theory' of the subject, while at the same time makin 'detailed analysis' of individual cooperative marketing associations. The announcement is quite in line with the statements which have come from Paul Smith's and elsewhere to the effect that the administration is inclined to put great emphasis upon this cooperative side of Government work. While thus it will do almost anything in its power to assist the growth of cooperation it will not go far in the direction of subsidies or grants, not because it is opposed to the idea of aiding agriculture but because the proper way to render such aid is through cooperation.

"Now there is no one probably among those who are at all instructed on the subject who would want to minimize the advantages of cooperation. The movement has succeeded well in a number of countries and has in many cases operated to furnish a more effective means of marketing both farm and other products than could otherwise be found. It has not been quite so satisfactory as a buying device, and yet even in that field sound management and skill have met with substantial reward. But there are very decided limits to cooperation, as experience has shown. In a good many countries where cooperative associations have had things all their own way so far as legislation and Government favor are concerned the cooperative movement has lost ground. This is true, for example, in Australia, where the cooperative marketing of grains and wool is by no means as extended as it was a few years ago, so at least runs the testimony of observers who have recently made a survey of the situation.....

"As for the United States, the cooperative situation is one which will repay some very sober thoughts. There has been substantial success in the promotion of cooperative selling organizations, such as those which are now well recognized in fruit, cotton, tobacco and other specialized products....All this is excellent as far as it goes. But can it go very much further? That is the question which will have to be answered as the result of experience designed to show how far the average farmer and industrialist is willing to work by really cooperative methods. What can be clearly said is that there is very little that the Government can do in the matter. In some countries there has been decided help from governmental sources through the provision of satisfactory credit facilities. Those are not needed here. The farmer and every other cooperator is now fully equipped with means of borrowing, and if he can furnish any reasonable evidence that he is sound he will get what he needs either on short or long term. There is absolutely no field for Government interference in this matter and very little occasion for Government investigations."

Section 2

Cotton Situation

An editorial in The Wall Street Journal for September 17 says: "What light lady of antiquity was more fickle than cotton? Recently it has been flirting with the bull and on September 8 the price of December cotton went up to 18.25. But that same day it turned its face toward another admirer and the bear now holds it in close embrace at 16.93. This change of heart represented a loss of about $6 a bale. It would be difficult to give a satisfying reason for this change of front in cotton. The official estimate on September 8 was larger than most people expected; since then there have been two clear days in the belt. Two weeks earlier there was an official estimate larger than the one on the 8th and cotton at its lowest held about $5 a bale higher than the closing of the 14th. There was also the Census Bureau report showing a domestic consumption in August of 500,652 bales against 460,918 the preceding month and 448,665 a year ago. This figure brings the total domestic consumption of lint for the year up to 6,450,987. This compares with 6,193,417 bales last year and the record of 6,666,092 in 1923. Exports also were about 75,000 bales larger than August 1925. All these are bullish figures. ..... It can not be said that the crop outlook has improved. It will take far more than two days of good weather to overcome the damage already wrought by an unfavorable season and insects. ..... An appropriate question for a man to ask himself is this: 'What will the market do if a killing frost comes around average date?' Then this one, 'What will it do if a frost comes before the usual time?' The answer to either of those two contingencies should make cotton's bear flirtations look exceedingly dangerous."

Land Banks

An editorial in The Journal of Commerce for September 16 says: "Announcement that eight of the Federal land banks have been transferred to the ownership of the farm loan associations which now cooperatively own the banks, just as they are themselves cooperatively owned by their borrowers, brings to a new stage an experiment whose success at so early a date was expected by but few. When the original Farm Loan Act was drafted, in the form known as the Hollis-Bulkley bill about twelve years ago, even the Wilson administration which had tolerated its preparation became restive. The precise reason why the measure in its original form was resisted by President Wilson and his advisors was that it called for so much 'Government aid,' and when the argument was put forward that this Government aid would be temporary in nature, provision being fully made in the bill itself for gradual curtailment of it, the answer was furnished that such Government aid was seldom if ever curtailed. However, under the pressure of necessity the Farm Land banks were formed and the Government found itself obliged to take almost the entire stock. Now, ten years later, the gradual functioning of the mechanism provided in the act and originally worked out in the Hollis-Bulkley bill has absorbed the stock at two-thirds of the banks and let the Government out of their ownership."

Swedish Forestation

"In 1903 the first legislation in Sweden endeavoring to make replacements balance cutting of trees was enacted, and in 1923 a most drastic act was passed prohibiting cutting in all young stands of timber, except for thinning purposes, and then only under supervision. At present the institute of forestry is carrying out a close study of the whole country. It is divided into strips, and in each an exact record is being made to show exactly what can be cut and to determine the increment of growth. When this record is finished Sweden will have the most accurate knowledge of its timber resources of any country in the world." (American Lumberman July 17.)

Section 3

Department of Agriculture

An editorial in The Journal of Commerce for September 17 says: "An official of the Department of Agriculture just returning from Berl has recently called attention of the American public to the probable effects upon French exports of any stabilization of the French currency. He is particularly interested in the result that would without much doubt be forthcoming in the French cotton textile mills were the value of the fra to be fixed by some feasible method of stabilization. A good deal of th foreign business now done by French manufacturers would in that case, he is sure, go to German and other mills, since one of the really telling advantages of the French mills at the present time is the fact that the value of the franc in foreign market tends to fall more rapidly than internal prices expressed in francs rise. All this, of course, is old and long understood by those who have given the matter any particular thought It has, in point of fact, been all too obvious to the French themselves, or at least the dread of what would almost certainly happen upon stabilization of the franc has been all too distinctly real in their minds. It is for this reason, in part at least, that any effective effort for stabilization of the currency of that Nation has been so long delayed and to-day is hardly in sight. Something of the general nature of what the returning American Government representative predicts will without question happen if, when and as the franc is stabilized. But the outcome of continued postponement of the task of stabilization would be even worse. Of that there can be no doubt. If anyone questions the validity of that fact let him ask some of the German industrial interests that have first hand experience in such matters. As for ourselves, as the Government representative already quoted points out, our market for raw cotton and other similar materials will not permanently suffer from financial reform in France, but, on the contrary, would in the long run benefit."

Section 4

MARKET QUOTATIONS

Farm Products

Sept. 17: Chicago livestock quotations: top price of hogs $13.75, bulk of sales at $11 to $13.50.

Long Island sacked Cobbler potatoes $3-$3.15 per 100 pounds; Green Mtns. $2.65-$2.90. Maine sacked Cobblers $2.35 in New York City; bulk stock $1.60-$1.65 f.o.b. Presque Isle. Virginia yellow sweet potatoes $2.75-$4 per barrel in eastern cities; $2.85-$3 f.o.b. Eastern Shore. New Jersey yellows $1.50-$2.50 per bushel hamper. Tennessee Nancy Halls $1.15-$1.25 in the Middle West. New York and Mass. yellow onions $1.50-$2 sacked per 100 pounds in eastern consuming centers; $1.40-$1.50 f.o.b. Connecticut Valley points. New York and Michigan Oldenburg apples 75-90¢ per bushel basket. Illinois and Arkansas Jonathans $1-$1.75.

Average price of Middling spot cotton in 10 designated markets declined 11 points, closing at 15.93¢ per lb. October future contracts on the New York Cotton Exchange declined 10 points, closing at 16.22¢, and on the New Orleans Cotton Exchange declined 9 points, closing at 16.26¢.

Closing grain prices quoted: No.1 dark northern-Minneapolis $1.40-$1.51; St.Louis $1.38. No.2 yellow corn-Chicago 81¢. No.3 yellow corn-Chicago 80¢; St.Louis 80¢; Minneapolis 76¢. No.3 white oats-Chicago 41¢; St.Louis 40¢; Minneapolis 39¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 17,	Sept. 16,	Sept. 17, 1925
20 Industrials	156.74	158.71	146.46
20 R.R. stocks	119.21	120.56	102.78

(Wall St.Jour., Sept.18.)

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Vol. XXII, No. 68 Section 1 September 20, 1926.

COTTON CONDITIONS A Memphis dispatch to the press to-day says: "Uncertainty still prevails regarding the size of this year's cotton crop, but around here it is felt that the last report from Washington was entirely too optimistic. Figures given then for the crop in this section were regarded as too high and since then deterioration has continued, so that it is believed the next estimate will be much reduced....It is the consensus that the Mississippi delta section and the central valley contiguous will do well to yield within 60 per cent of what it did last season, while an early visitation of frost could cut that, although the activities of the weevils greatly lessen the menace of frost by taking nearly all of the late fruit...."

A New Orleans dispatch says: "The daily sales by southern cotton markets have assumed large proportions, showing that spinners, both domestic and foreign, are now beginning to take liberally for their requirements. This they are no doubt encouraged to do by the comparatively low prices prevailing, not far from eight cents a pound under the prices ruling at this time last year. This lower price level should and probably will make for a larger consumption of cotton this season than was the case last season, when the total consumption proved a record breaker...."

BAKING STUDY GIFT An Atlantic City dispatch to the press to-day says: "The Robert Boyd Ward Fund, Inc., has given $80,000 to The American Institute of Baking for the organization and conducting of a Department of Nutritional Education in the interest of the public welfare. The receipt of the money was announced last night at Atlantic City by L.J.Schumaker, president of the American Bakers' Association, which opens its twenty-ninth annual convention here on Tuesday. 'The check is the balance of a gift of $100,000 of which $20,000 was donated tentatively on Sept. 11, 1925,' said Mr. Schumaker. 'And although the original intention was to give out the sum in quarterly instalments, the efficient manipulation and the satisfactory results attained last year prompted W. B. Ward of New York, son of Robert Boyd Ward, in whose name the fund was established, to leave further expenditures entirely in the hands of the institute.' The gift is to assist the American baker to perfect his knowledge of the materials he handles, and to acquaint him with its potentialities."

INDEPENDENT FEDERAL BUREAUS The placing of all independent bureaus of the Federal Government under the control of the different members of the Cabinet, who will be held responsible for their activities, is advocated by Representative William R. Wood of the House appropriations committee, in an article in the current number of the Nation's Business Magazine. At the present time, according to Representative Wood, there are thirty-four independent bureaus and a large number of establishments that are quasi-independent, supposedly operating within the Cabinet but actually without the Cabinet. Representative Wood believes that if a scientific survey could be had of these offices their working forces could be materially reduced.

Section 2

Cooperation in Canada

An editorial in The Wisconsin Agriculturist for September 11 says: "The Canadian wheat pool, with its three units in the provinces of Manitoba, Saskatchewan and Alberta, was established about three years ago, and to-day is the largest cooperative organization of its kind in the world. The membership totals over 125,000 actual farmers in western Canada, controlling about 14,000,000 of the 21,000,000 acres sown to wheat in the three provinces. The Canadian wheat pool handles the sale of the greater part of the wheat production of Canada. The Dominion exports more wheat than any other country in the world and produces the world's second largest crop. Most of the wheat is sold by a central selling agency to importers and buyers in different countries of the world, for the agency has direct selling connections with every wheat importing country and has its own representatives in 51 ports of the world....The Canadian farmer is making progress. He has solved the marketing end of his business by joining with his brother farmers of the big Northwest in one central selling agency with representatives in all foreign ports. His troubles are over when he delivers his crop to the shipping points. His agents--not speculators, millers, board of trade men, or any other kind of middlemen--handle, sell and return to him the highest possible price obtainable, less reasonable cost of handling, but minus many middlemen commissions. Is there any valid reason why farmers on this side of the line can not organize?...We have some powerful farm organizations in this country and they have been and are still doing splendid work....."

Farm As Factory

An editorial in The Nebraska Farmer for September 11 says: "'The time is not far distant when the farm will cease to be a place to exist. The prosperous farmer will be a man of business capabilities who knows business, who knows costs, who knows efficiency, who knows the nature of his investments, who knows markets, and who follows the best practices.' Thus spoke Arthur Huntington, an engineer, at the annual convention of the American Society of Agricultural Engineers recently. Enlarging upon this thought, Mr. Huntington added: 'Above all the farmer must know the best standard of practices and think and act in such terms rather than in the terms of average results. No factory man can be interested in average results, he is only interested in the most efficient practices. He knows that only those who are better than the average prosper, that the average factory stays in business but does not prosper and that the factory which falls below average results must go out of business.'....The foregoing is in harmony with arguments we have made constantly. It harmonizes with our experiences, both in farming and in publishing a farm paper. It is the outspoken wonder of industrial authorities that agriculture has succeeded as well as it has without a better observance of these well founded rules of industry. The question is, just how these changes are to be brought about. Mr. Huntington very wisely suggests that business men should approach the question of farm relief from the standpoint of exact scientific and engineering facts instead of permitting the politicians to play with it. We believe that if this were done, far greater progress would be made in bringing about a substantial and permanent improvement in farm conditions."

French Finances

French Government revenue from all sources in July 1926 (not including the receipts of the postal administration which are carried to a separate budget) totaled 3,661,106,700 francs as against 2,404,118,400 francs in June 1926 and 2,534,068,100 francs in July 1925. The increase

of 1,127,038,600 francs over the preceding year is due to increased taxes enforced by the laws of April 4 and April 29 last and by the increase in indirect taxes many of which are assessed ad valorem and consequently grow larger with the higher prices. Another cause of increase is the anticipated payments of direct taxes made by a great number of tax-payers. According to official figures received by the Bankers Trust Company of New York from its French information service out of the above total of 3,661,106,700 francs exceptional resources accounted for 77,468,100 francs of which 45,396,100 francs were produced by the tax on excess war profits. Returns from normal and permanent revenue in July 1926 amounted to 3,583,638,600 francs as against 2,420,797,300 francs in the corresponding month of 1925, the increase of 1,162,841,300 being due in round numbers to 260,000,000 francs, direct taxes, 898,000,000 francs indirect taxes and 5,000,000 francs to domaine returns.

Greek Farming Aid

The press of September 17 states that Greek and Italian boys are more adaptable to farm life than American youths, according to Frederick Midgley of Worcester, Mass., a New England farmer, who sailed Sept. 16 on the steamship Braga for Greece, where he will become director of agricultural education for the Near East Relief. "American boys, sheltered and supported in their homes," he said, "are no longer either adaptable or quick to learn. It is not that they are less intelligent, but they seldom feel the spur of necessity." The Near East Relief describes Mr. Midgley as the "first dirt farmer" it has sent to Greece to teach practical farming in the American orphanages there. He has undertaken the work as a volunteer and without salary.

Marketing Problems

In a review of "The Marketing of Farm Produce," by F.J.Prewett of the Agricultural Economics Research Institute of Oxford, Country Life (London) for September 4 says: "In singling out for special mention some of the most pressing problems which call for reform in agriculture, that of marketing is probably the most important. This is true of practically everything that the farmer has to sell, and it is very evident that in many directions the producer is robbed of a fair share of his profit. The series of economic reports dealing with marketing which the Ministry of Agriculture is issuing is indicative that this same problem is recognized in official quarters. The situation was admirably stated in a question raised by a contemporary: 'Why is it that so many farmers go under whilst the middlemen thrive and prosper?' This is a question which is not peculiar to agriculture alone. It has also been asked of the coal industry and various other products, but sooner or later it will have to be tackled in the interests of the producer. The position is doubly delicate in relation to agricultural products. Foreign competition is not only keen, but the quality of the competition in many cases defies all opposition. Uniformity and a high regard for quality have insured a steady market for imported products. Yet, despite this, the Linlithgow Committee reports indicated in no uncertain measure that home producers are too much at the mercy of people who are not prepared to forego any of their normal profits whatever the state of the trade. This means that in a depressed period it is the producer in particular who suffers, and retail prices are not proportionately reduced. This question is one of such obvious importance that it can not be dismissed as being incapable of solution. There are several ways out of the present difficulties; but the main trouble appears to be making the move. The possibilities of direct sale to the consumer are probably

limited. It is never easy to fight well established retail businesses single-handed; but it should not be difficult, by means of collective bargaining and marketing, to reduce the number of interests claiming a profit out of agricultural produce....What colonial and foreign agriculturists have found it necessary to do can not be beyond the power of agriculturists in this country, and it would seem to be essential to preach, in and out of season, the need for collective marketing. If the Government is anxious to tackle the agricultural problem, there is room for the appointment of marketing organizers whose duties would be to lead and to direct in all problems relating to this wide subject...."

Natural Resources

In his interview with Hon. Hubert Work, Secretary of the Interior, in The Magazine of Wall Street for September 11, Theodore Knappen summarizes this country's natural resources as follows: "In national ownership or control (including Indian reservations), not counting Alaska, more than 400,000,000 acres of land, holding, say: Two hundred million acres of pasturage, mostly in a deplorable state of deterioration from abuse. One hundred and sixty-five million acres of forest lands (including Indian forests), providing a large amount of pasturage, and containing about 700 billion feet of standing timber--about a third of all our timber, public or private; and about one-eighth of the entire original stand of the whole country. Unknown areas of petroleum sands in public and Indian lands, containing unknown millions of barrels of oil--but certainly enormous quantities. Fifty billion potential barrels of shale oils. Two hundred billion tons of coal. Six billion and more tons of phosphate rock. Immense but unknown quantities of gas, potassium and sodium minerals (fertilizers) and various industrial minerals. Water control equivalent to about 85% of the whole 55,000,000 horsepower of potential hydro-electric development in the United States, and to the irrigation of many millions of acres of arid land."

Poor Relief in Britain

On one day in July of this year 1,080,948 persons were in receipt of poor relief in 31 selected areas of Great Britain. While this is 1.7 per cent less than the previous month, it is 53.9 per cent greater than in July 1925. According to advices just received by Bankers Trust Company of New York from its British information service 604 out of every 10,000 of the estimated population were in receipt of aid in July of this year compared with 614 in June and only 394 in July of last year.

A London dispatch to the press of September 16 says: "Widespread alarm has been caused by publication of the latest figures covering operations of the dole system in England. According to a report issued by the Ministry of Labor, a weekly average of 977,000 persons received unemployment benefit throughout the last year, the average amount received being slightly under $5 a week. The total sum thus disbursed reached the staggering total of $229,000,000...."

Tobacco Marketing

An editorial in Southern Agriculturist for September 15 says: "The tobacco growers of Virginia and the Carolinas, or a majority of them, seem disposed to give over the attempt to establish a real cooperative marketing association, and to accept--for the present, at least--whatever fate and the old methods of marketing may hand them. In the dark tobacco district of Kentucky and Tennessee, on the other hand, the reorganization and rejuvenation of the cooperative is a matter much in the public mind. Whether or not the effort to get the association to functioning again shall

succeed, the effort is being made, and made with much earnestness by many growers. These growers feel that without a marketing asociation they will be even more helpless than they were in the old days, and that, despite their unsatisfactory experience with the Dark Tobacco Association, co-operative marketing in necessary to secure and to preserve economic independence for the tobacco growers. To our mind, these farmers are right about it. The future of the dark tobacco country will look much brighter to everyone--even to the enemies of cooperative marketing--with a strong and well directed cooperative in the markets than with the growers altogether unorganized and disorganized....Southern Agriculturist hopes that the Dark Tobacco Association will be set going again on a stronger basis and with sounder policies. This means that it must be organized on the basis of voluntary cooperation; that proper provision must be made for the man who is out to get in and for the man who is in to get out; that no unreasonable promises of price control must be made and no unrealizable expectations aroused; that it must be officered by men who not only know how to sell tobacco, but who also realize that they are but trustees for the men in the fields; that overhead expenses must be kept down and unnecessary expenditures avoided; that there must be absolute frankness with members; and, finally, that the grower who is incapable of understanding or of cooperating with his neighbors must be left outside. Organized on this basis, a tobacco marketing association can succeed, even without the signing up of the 90 or 80 or 70 per cent of the crop some think essential...."

Section 3
MARKET QUOTATIONS

Farm Products For the week ended Sept. 18: Chicago livestock quotations: Top hogs lower than a week ago, declines amounting to around 80¢. Bulk of sales are under last Saturday's prices. Choice steers and yearlings are 50¢ higher with low grades steady to 25¢ up; heifers advanced 25 to 50¢ and cows generally 25¢, vealers were $1 and calves 50¢ higher for the week, feeder steers also shared in the upturn showing a gain of 25¢ for the week. Fat lambs are 25¢ to 50¢ lower, yearling wethers also lost 25¢, fat ewes are steady to 25¢ lower while feeding lambs declined 75¢ compared with a week ago. New York wholesale fresh meat market on western dressed, good grade meats, is 50¢ lower to 50¢ higher on steer beef, steady on veal, lamb and mutton, $1 to $2 higher on light pork loins and $1 lower on heavy loins.

Potatoes declined 60¢ on the Chicago carlot market, Wisconsin Round Whites closing at $2.15-$2.40 per 100 pounds. At Waupaca f.o.b. sales showed a decline of 20-30¢. Sweet potatoes generally 25-75¢ lower. New Jersey yellows $1.50-$2.25 per bushel hamper. Onions dull. Eastern yellow varieties $1.75-$2 sacked per 100 pounds in a few markets. Apples nearly steady. New York and Michigan Oldenburgs generally 60-90¢ per bushel basket. Illinois and Arkansas Jonathans $1.25-$1.50 in Chicago.

Average price of Middling spot cotton in 10 designated spot markets declined 99 points, during the week, closing at 15.91¢ per lb. October future contracts on the New York Cotton Exchange declined 90 points, closing at 16.05¢, and on the New Orleans Cotton Exchange they declined 89 points, closing at 15.91¢.

Butter markets were steady to firm during the week, with prices showing some advances from the previous week. Storage situation appears strengthened due to an active outward movement. Production outlook favorable since wide spread rains throughout dairy sections. Cheese markets firmer with ruling prices advancing about 1¢ on Sept. 17. Production continues to decrease. Trade is only moderately active. Some buying of Canadian cheese reported. (Prepared by Bu. of Agr. Econ.)

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DAILY DIGEST

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Vol. XXII, No. 69 Section 1 September 21, 1926

THE APPLE CROP

An editorial in The Washington Post to-day says: "If the Corn Belt farmers succeed in securing the legislation which they demand we may expect the remaining agriculturists to arise in their might and insist upon an extension of the paternal care of Uncle Sam. It will be recalled that when somewhat similar legislation was proposed in the Senate during the term of Senator 'Jim' Martine, that New Jersey patriot made a tearful plea for relief for the farmers of Jersey, who at that time produced many thousands of gallons of applejack. Now comes the farmer from Michigan and New York with a Macedonian cry for help from the distress which confronts him. Through the apple belts of those fruitful States Nature has been more bountiful than ever before known. Even the unsprayed orchards, usually prolific only in wormy fruit, are this year filled with perfect specimens. And they are ready for the harvesting. But the buyer is absent or indifferent. Apples worth their weight in silver, almost, in the cities, are unsalable on the farms. The windfalls, once the prime source of cider, sweet and hard, now rot upon the ground. Cider, like peach brandy in North Carolina, is taboo in Michigan and New York. Besides which is the fact that the disappearance from the market of the empty whisky barrel, which sold for a dollar or so, has raised the price of cooperage so high that no one can afford to buy. Truly the lot of the orchardist is as hard as that of the Iowa corn farmer or the wheat grower of Kansas, which fact should give pause of the Haugens and the McNarys, unless they are prepared to fix prices on the surplus apple crop."

FARM ENGINEERS TO MEET

A State College, Pa., dispatch to the press to-day states that members of the North Atlantic section of the American Society of Agricultural Engineers will hold their second annual meeting at State College October 11, 12 and 13. R.T.Wagner, Schenectady, N.Y., chairman of the section, will preside. The North Atlantic section includes agricultural engineers from New England, the Middle Atlantic States, and the eastern provinces of Canada. Farm buildings, agricultural engineering education, farm power, farm home utilities, farm equipment, and rural electrification will engage the attention of the delegates.

PACIFIC COAST LUMBER

A Seattle dispatch to the press to-day states that the demand from all American sections for West Coast woods has been stronger than in any previous year over a long period and prices have fluctuated less. Since January 1 there has not been a downturn to exceed 50 cents in any except the Japanese trade. The North Atlantic market is now conceded to be a two-billion feet per year proposition, which represents a sale of 25 per cent of the total production. California will consume only slightly less for the year, and the middle western and eastern rail shipping trade is taking 50 per cent of the cut. This leaves a decreased surplus to sell foreign countries with the result that the mills believe 1927 will be one of the most prosperous years in their history.

Section 2

Cotton Conditions

An editorial in The Wall Street Journal for September 20 says: "Cotton and Jack Frost are entered for an unusually exciting race this year, and the stakes are some million bales of cotton. For two years cotton has easily won the race and the market has been making it the favorite for the coming event. But it is now so heavily handicapped that it does not stand an equal chance. Unless Mother Nature comes to its aid, Jack Frost is likely to be the winner. Development of the cotton crop is from two weeks to thirty-five days later than normal. East of the Mississippi River the crop will average two weeks late and the western belt approximately three weeks. Such a late start puts much of the crop in jeopardy. Should a killing frost strike the whole belt, at even the average dates, the loss is likely to be large....Hopes for a yield considerably larger than the official estimate of 15,166,000 bales are dependent upon a summerlike autumn and a frost date much later than average. For two seasons in succession such weather conditions have added greatly to the crop, but it is for every man to make up his own mind as to whether those conditions are likely to be repeated this year...."

Dye Stuffs in France

The production of dye stuffs in France has been steadily increasing since 1920 and, according to advices received by the Bankers Trust Company of New York from its French information service, the annual report of the union for promoting this industry (Union des Producteurs et des Consommateurs pour le developpement de l'industrie des matieres colorantes en France) shows that imports of dye stuffs, which in 1922 totaled 1,797 tons and in 1924, 2,444 tons, aggregated 1,451 tons in 1925. Imports from Germany accounted for 388 tons only; whereas before the war French industry was largely dependent on that country for such products. The output of French factories has nearly doubled during the last five years, the exact figures being 14,549 tons in 1925 as against 7,356 tons in 1920.

Food Prices

The retail food index issued by the Bureau of Labor Statistics of the United States Department of Labor shows for August 15, 1926, a decrease of practically one per cent since July 15, 1926; a decrease of nearly three per cent since August 15, 1925; and an increase of a little more than fifty-four per cent since August 15, 1913. The index number (1913 = 100.0) was 160.4 in August, 1925; 157.0 in July, 1926; and 155.7 in August, 1926.

Foot and Mouth Disease in Britain

An editorial in The Field (London) for September 9 says: "The news of another outbreak of foot and mouth disease in the Lanarkshire area is disheartening. The Ministry of Agriculture was preparing to treat the district as clean, and had given permission for the restocking of five farms, when the disease broke out near Carstairs on August 31. As a consequence of the new outbreak several important lamb sales, involving thousands of sheep, had to be canceled, and this caused considerable loss and inconvenience. A new center of disease has developed at Colwyn Bay in North Waltes, where three outbreaks were confirmed on August 29. This is bad news, but stockowners can find some consolation in the determination of the Minister of Agriculture to take all practicable measures against the further introduction of the disease from the Continent. Following on the recent refusal of the request of Dutch interests for permission to import fresh pork by license, the Minister has now issued an Order defining what exactly is meant by 'fully cured bacon and ham,' and declaring that only such products as have been treated in the approved fashion and which bear

the guarantee of a responsible Government official of the country of origin, will be exempted from the Importation of Carcases (Prohibition) Order."

An editorial in The Farmers' Gazette (Dublin) for September 4 says: "The news from across-Channel this past week is rather disconcerting to Irish stock-owners. Reports of further outbreaks of foot and mouth disease, both in Wales and Scotland, do not tend to give any improvement to the tone of the stock markets. The struggle to bring about the extermination of the disease has been a grim and dour one. It has cost a sum of money, in the way of compensation, running into millions. Theories regarding the source of infection have been advanced by some authorities, and as strenuously rejected by others. The trouble is that the infection still persists, and is confirmed at places where least of all expected, and where no reason for its appearance can be advanced. Luckily the clean bill of health which Irish stock can claim remains beyond question. This satisfactory position deserves to be consolidated in every possible way. No greater misfortune could befall the country at this stage of the season than anything which would interfere with the normal cross-Channel shipping trade. Such an untoward incident would be a material setback, and bring an additional misfortune to a country which on its agricultural side is struggling along under heavy handicaps to the prosperity the industry rightly deserves."

Grain Trade Report of Federal Trade Commission

An editorial in The Northwestern Miller for September 15 says: "The Federal Trade Commission last week announced publication of Volume 7 of its report on the grain trade and completion of its six-year study of grain handling methods, terminal markets and trading in futures. The entire report comprises seven volumes, published at intervals since September, 1920, and is made up of approximately two thousand pages of tabular data, descriptive detail, argument and, finally, conclusion and recommendations. As an example of painstaking analysis and research into every detail of a great trade, the report can be regarded only as a credit to the commission and to the scores of employees who have given years of effort to its compilation. Measured pragmatically, as a constructive work likely to contribute in any degree to improvement in present methods of grain handling, it is likely to be regarded as sheer waste of public funds. Much of its information already is so out of date as to be worthless, and the final conclusions and recommendations, particularly in the matter of future trading, have been in large part anticipated by the establishment of the Grain Futures Administration and voluntary action by the principal grain exchanges....It is difficult at all times to gauge the value of these Government compilations....In the preparation of the report scores of offices of grain concerns have been submitted to annoyance and expense. The whole cost of its preparation to the Treasury of the United States doubtless has run into the hundreds of thousands of dollars. As an analysis and survey it has value to the college undergraduate seeking material for a thesis inviting his degree. What other actual value it has, aside from its worth as historical record, is doubtful. Certainly its conclusions are not beyond those possible to any fairly well-informed member of the grain trade. They are, on the whole, less practical. What it offers in the way of cross section studies of the cost of handling grain under present methods has value. Its studies of future trading, largely made up from records of the exchanges and of the Grain Futures Administration, are interesting as a compilation of facts. What it all comes to is that, at very great cost, the commission has done a good job of surveying ocean currents, which, according to the nature of ocean

currents, will continue to flow their course through the charted seas."

Surplus Land An editorial in The Farm Journal for October says: "Our friend Arthur J. Mason is fond of pointing out that nine-tenths of all farm production is for the feeding of farm animals. The acreage of farm land must be used in about the same proportion. This being so, the continuous decrease in the number of horses and mules--12 per cent between 1919 and 1924--must certainly account for a large part of our surplus of crops. In 1925 we had on our hands 9,500,000 acres no longer needed to feed horses. What was done with that acreage, and with the stuff it produced? Consumption of food will increase as fast as the human population. But the population of horses and mules will continue to fall off, since there are only half as many colts coming on as there were five years ago. Evidently the increasing use of automobiles, trucks and tractors means a postponement of the date when population increase takes up the slack of idle land. And yet again, there is the certainty that the production of alcohol for power will eventually require an enormous acreage, as petroleum and coal products for motor fuel begin to run short. Within our own generation, perhaps, we will see large areas of productive soils swing over to rotations where a potato crop, specially bred for alcohol production, takes the place of the oats crop which is no longer wanted."

Section 3

Department of Agriculture An editorial in Kansas City Star for September 15 says: "The Secretary of Agriculture has made his first visit home since entering the President's Cabinet. The visit was made upon the invitation of personal friends and Kansas farm organizations....The Secretary...was equally frank in stating his belief that cooperative marketing, assisted by the use of Government funds, held out the greatest hope for putting agriculture on a basis equal with industry....The development of cooperative marketing agencies is advisable. Many farmers feel that the beneficial results will not be noticeable immediately and that something more definite, concrete and immediately effective is necessary. Others feel that existing financial agencies are capable of handling the needs of farmers without use of Government funds. They assume that the support given by the Government will result in greater indebtedness rather than liquidation of present obligations. The failure of many cooperative concerns is cited as proof that a different solution must be devised....One result of the Secretary's visit has been to stimulate the supporters of the McNary-Haugen bill to greater effort. They have decided to carry their fight to every section of the State. The opponents of the bill will doubtless meet the renewed fight with greater courage and confidence because of information brought to Kansas by the Secretary. His visit has strengthened the position of those who have pinned their faith to cooperation as the best means of returning prosperity to the farm. The discussion of farm questions with the Secretary has a tendency to clarify the situation. Both the farmers and the administration should profit."

Section 4
MARKET QUOTATIONS

Farm Products Sept. 20: Potatoes declined at shipping points and in Chicago; irregular elsewhere. Wisconsin sacked Round Whites 75¢ to 90¢ lower in Chicago at $1.85 to $2 per 100 pounds carlot sales; 20¢ to 30¢ lower at $1.80 to $2 f.o.b. Waupaca. Virginia Yellow Sweet potatoes 50¢ to $1 lower at $2.25 to $3.50 per barrel. New York and Massachusetts yellow onions fairly steady at $1.50 to $1.75 sacked per 100 pounds in eastern consuming centers; $1.50 f.o.b. Connecticut Valley points. New York and Michigan Oldenburg apples 50 to 90¢ per bushel basket. Eastern Jonathans $1 to $1.50.

Chicago hog prices closed at $13.75 for the top, bulk of sale $11.35 to $13.50; Better grades of beef steers advanced 5 to 35¢ while the lower grades declined a like amount. Heifers were steady to 25¢ higher and cows 10 to 35¢ up. Veal calves made a senaational gain of $1 to $1.50 for the week while heavy calves remained about steady. Stocker and feeder steers made marked improvement in price gains amounting to 15 to 75¢.

Closing prices on 92 score butter: New York 45 1/2¢; Chicago 44¢; Philadelphia 46 1/2¢; Boston 46¢.

Grain prices quoted Sept. 20: No.2 red winter Chicago $1.36; Kansas City $1.32. No.2 hard winter Chicago $1.39; Kansas City $1.29 to $1.36. No.2 yellow corn Chicago 79¢; Kansas City 81¢; No.3 yellow corn Chicago 78¢; No.3 white oats Chicago 40¢; Kansas City 43¢.

Average price of Middling spot cotton in 10 designated spot markets declined 26 points, closing at 15.65¢ per lb. October future contracts on the New York Cotton Exchange declined 18 points, closing at 15.87¢ and on the New Orleans Cotton Exchange they declined 21 points, closing at 15.70¢. (Prepared by Bu. of Agr. Econ.).

Industrials and Railroads	Average closing price	Sept. 20,	Sept. 18,	Sept. 19, 1925
	20 Industrials	156.26	157.86	147.73
	20 R.R. stocks	120.48	120.99	103.68

(Wall St. Jour., Sept. 21.)

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Vol. XXII, No. 70 Section 1 September 22, 1926.

FEDERAL LAND BANKS An editorial in The Washington Post for September 22 says: "From Detroit comes a note of discord among the leaders of the American Association of Joint Stock Land Banks. It is claimed that the joint stock land banks are doing better by the farmers than the Federal land banks, making larger loans and at better rates. The joint stock banks are voluntary associations permitted by the same law that created the land banks. At the same time the officials of the Federal land banks claim that the farm loan associations are the result of the successful operation of the land bank system; and that the associations have been able, under the law, to buy back much of the stock originally put up by the Government when the land bank system was established in 1916. The associations in the sixth farm loan district, comprising the States of Illinois, Missouri and Arkansas, have been able recently to acquire all the stock in that district owned by the Government. The associations are owned and operated by the farmer borrowers.

"The Treasury made all initial investments in the land banks to get them started; and the law permitted the associations to buy back the stock by forming joint stock associations, each borrower taking 5 per cent of his loan in stock in the association. Thus far these associations have acquired all of the stock in eight out of the twelve land banks. Only about $1,000,000 of the original stock taken by the Government remains in the Treasury, out of the total of $9,000,000,000 taken in 1916. These land banks have loaned altogether some $2,000,000,000 to the farmers at from 5 to 6 per cent, thus saving them money. Total loans now exceed $1,000,000,000. It is claimed that the system has been a success, and is an example of what cooperation can do."

CANADIAN WHEAT CROP An analysis of the Canadian wheat crop for this year, based on the estimate made by the Federal Department of Agriculture, of 348,625,000 bushels, is given in a bulletin of the Canadian Pacific Railway, which expresses the belief that the final returns will show a yield considerably larger, although it may not reach last year's crop of 411,376,000 bushels.

NEW YORK FUR SALE The New York Times to-day reports that an unusually active demand for beaver, which sent the price of the best pelts to $39.50, marked the second day of the Huth fur auction. Sales reached $350,000, which brought the two-day total to $800,000. The auction will conclude today. Other furs that sold well, and the top prices paid for them, were marten, $33; Chinese and Japanese raccoon, $7.20; chinchilla, $65; leopard and leop-cat, $25; conies and rabbits, $1, and Persian lamb, $12.25. These pelts moved briskly: Baum marten, $17.75; skunk, $3; civet cat, $1.35; marmot, 84 cents, and bear, $16.

HUNGARIAN CROPS The Hungarian Ministry of Agriculture has announced that the wheat harvest this year would be 18,760,000 quintals compared with 19,500,000 quintals last year; rye 7,710,000 quintals, against 8,260,000, and barley 4,860,000 against 5,530,000. (Press, Sept. 22.)

Section 2

British Overseas Trade

During the year ended June 30, 1926 British overseas trade, with exports amounting to 862,203,000 pounds and imports to 1,247,870,000 pounds, declined slightly from the previous year when exports totaled 943,029,000 pounds and imports 1,377,086,000 pounds, according to advices recently received by Bankers Trust Company of New York from its British information service. When considering the proportion of exports to and imports from countries of the British Empire the detailed figures show that there has been a substantial increase, 24.67% of all imports in 1924-25 came from Empire countries while 30.44% was imported from the Empire countries in 1925-26; in 1924-25 Great Britain exported 38.45% of her own goods to Empire nations, while in the year ended June 30, 1926 she exported 41.54%. On the other hand the percentage of British re-exports taken by Empire nations fell from 12.14 in 1924-25 to 9.95 in the past year. The smaller proportion of exports consigned to foreign countries is partly attributable to the suspension of exports of coal in the last two of the twelve months under consideration. Exports to the United States rose slightly from 7.06% in 1924-25 to 7.43 in the latest year, while imports from the United States fell from 19.65% in 1924-25 to 18.20% in 1925-26.

Cooperation in Canada

An editorial in The Grain Growers Guide (Winnipeg) for September 15 says: "The Scottish Cooperative Wholesale Society has sold its sixteen-section farm at Hughton, Sask. Thus another bonanza wheat farm has passe out of existence and further evidence is provided that factory methods of mass production can not be applied to agriculture. Profits in farming are too small and uncertain for big scale operation and long range management. One after another of such enterprises have been tried with the same result, and there should soon be enough wreckage of these attempts scattered over the prairie to warn investors that they are doomed to failure. There is no reason to regret that the bonanza farm is not successful. If corporation methods could be applied to agriculture our farming population would soon be largely wage earners, with the disadvantage, compared with factory workers, that organization for mutual protection on a trade union basis would be impossible. No well wisher of Canada wants to see the status of the farmer reduced. The future of this country depends largely on maintaining a class of free and independent farmers, owning their own farms and running their own business....This does not mean, however, that cooperation has failed. It means that as far as agricultural products are concerned two distinct types of cooperative organization are necessary. One is a cooperative organization of producers for assembling and forwarding the product, and the other a cooperative organization of consumers for collective purchase and distribution. The two systems are not antagonistic but complementary. By establishing business relations with the farmers' cooperatives, Old Country cooperators can still be assured that the cooperative method is being applied to the handling of agricultural products all the way along the road from producer to consumer."

Cotton Grades

An editorial in The Journal of Commerce for September 18 says: "If specific evidence that a broader basis of tenderable cotton in the futures market were needed, that evidence ought to be amply supplied by the experience of the New York Cotton Exchange during the past year. In part, as a result of the relatively narrow list of grades tenderable under futures contracts at the present time, futures prices for a good while past have

failed quite noticeably to keep close step with spot prices or to reflect conditions actually existing or fairly plainly in prospect in spot markets Of course, it is usual in a good many quarters to attribute this lack of harmony between spot and futures markets to manipulation, made possible by the system of delivery now in effect, and it may well be that there is a substantial measure of truth in this view of the situation. The fact remains, however, that the manipulation under present conditions often, if not usually present, would be in part at least eliminated by a broader basis of tenderable grades, which likewise would take away a good deal of the force of the arguments for southern delivery. It is thus much to be hoped that the conferences now in progress between the cotton trade and the Department of Agriculture at Washington will result in action of a constructive sort. The technical accuracy of the allegations of representatives of the trade may be left for further consideration without making it impossible to assert that changes of the general sort being asked ought to be instituted. The truth is, however, that full relief from the untoward conditions concerning which there is now a good deal of well justified complaint is likely to wait upon a careful revision of the basic law under which both the exchanges and the Department of Agriculture must operate at the present time. There is, of course, no reason why the conversations being engaged in by members of the trade and the Department of Agriculture should not bring forth constructive proposals for legislative change at some reasonably early date."

Cottonseed Oil

A record-breaking consumption of cottonseed oil products in the crop year just ended not only lifted the weight of the year's enormous current supply of oil but also cleared the market of a heavy carry-over from the previous season. Only moderate supplies have been carried forward into the new year, sufficient, however, to supply requirements until the next crop of seed, which again promises to be large, comes on the market in quantity, says the National Bank of Commerce in a review of the cottonseed oil situation.

Canada Wheat Pools

An editorial in The Saskatchewan Farmer for September 15 says: "....The Western Canada wheat pools have done so well because the cooperative spirit has been implanted in the farmers of Western Canada, the principles of cooperation have been practiced by them since they helped to build each other's shacks and stables, they have a willingness to trust each other and work with each other which the farmers of no other country, with the sole exception of Denmark, possess. There are several wheat pools in the United States but no prospect of a united central pool: there are some wheat pools in Australia but they are not to be compared with our Saskatchewan, Alberta and Manitoba pools. Our wheat pools are not organized to hold up the consumers and compel them to pay an exorbitant price for their bread, but to give to the farmer the price which the millers in the consuming countries or in Canada pay, less the handling charges, cutting out the speculators' millions of profits. Let the polic of our pools be thoroughly explained and clearly understood by consuming countries and let it be made plain to them that in assisting the wheat farmers of other countries to form cooperative marketing organizations so that they may have a little say in the marketing of their own produce there is no thought of building up a wheat monopoly, and the European consumers will see that it is to their interests as well as ours to eliminate the grain speculator and deal directly with the producer."

Electric Power and Wood Utilization

Oregon uses almost 570 times as much wood for the production of electric power as it does all other kinds of fuel combined. Figures compiled by the Geological Survey show that last June the State produced 18,664,000 kilowatt hours through burning wood, as against 33,000 kilowatt hours from other fuel sources. In the same period 47,657,000 kilowatt hours were furnished by water power. In the State of Washington wood fuel also produced the most power. The total for wood was 2,581,000 kilowatt hours, against 895,000 kilowatt hours for all other fuels. Other States in which wood is an important factor in producing electric power are Alabama, 90,000 kilowatt hours; Arkansas, 530,000; Florida, 150,000; Georgia, 329,000; Louisiana, 97,000; Minnesota, 494,000; Mississippi, 93,000; South Carolina, 64,000, and Wisconsin, 90,000. All other States produced 2,396,000 kilowatt hours from wood. This brings the total for the whole country during the month of June to 25,551,000 kilowatt hours.

Grain Rates

An editorial in Commercial West for September 18 says: "Hearings are now before the Interstate Commerce Commission relative to the decrease in grain rates made by the northwestern railroads in the Twin Cities district. A reduction from the old rate of six cents a hundred was made some weeks ago, but intervention of other markets deferred the putting of the rates into effect and brought about the hearing of the pleas of other terminal points by the commission. It is likely that a decision will be handed down within a week or so. For years past the milling industry of Minneapolis has been handicapped because of adverse rates both by rail and water. As a consequence the industry has been dwindling and the flour-milling business has been stimulated at Buffalo and other points. Statistics show that during the past ten years production of flour in Minneapolis has decreased nearly fifty per cent, while flour production at Buffalo has increased in comparison fully sixty per cent. In order to protect their business milling companies of Minneapolis have built mills at Buffalo and either constructed or purchased mills at other favorable points. In order to protect the waning milling industry of the Twin Cities and thus benefit from the increased freight, the railroads established the lower rate, or course dependent upon the approval of the Interstate Commerce Commission. Now the important feature of the question is whether the rates named by the northwestern railroads as applying to the Minneapolis market will be sustained by the commission or whether the commission will allow the rates to stand and make correspondingly low rates apply to other contesting marketing and milling points. In case the latter decision be made the status of the milling industry in Minneapolis will be unchanged, but the railroads will be the 'goats.'....There is another feature of the milling situation which is worthy of notice at this time. Canadian millers who have been enjoying an unusual era of prosperity since the tariff on Canadian wheat was imposed by the United States, now find cause to fear the upbuilding of the milling business at Buffalo because of the advantage that city has in the matter of lake transportation and the privileges enjoyed by some of the large companies in having rebated the major portion of the tariff on wheat which is made into flour for the export trade. Here we have a triangular proposition that seemingly will prove annoying to the American as well as the Canadian milling interests. But the most important question lies in putting into effect such freight rates as will give Minneapolis millers an equal footing with the millers

elsewhere....Minneapolis is equipped with the most modern and efficient mills in the world, and with only an even break with other points on the matter of freight rates can maintain the position it has long held as the greatest flour-milling city in the world."

Section 3
MARKET QUOTATIONS

Farm Products Sept. 21: Chicago hog prices closed at $13.55 for the top, bulk of sales $11 to $13.15. Beef steers choice $11.25 to $12; heifers, good and choice $7.75 to $11.25; common and medium $5.65 to $8.75; cows, good and choice $5.75 to $8; low cutter and cutter $3.60 to $4.50; vealers, medium to choice, $10 to $15; heavy calves medium to choice $6 to $8; stocker and feeder steers common to choice, $6.15 to $8.75; fat lambs medium to choice $11.75 to $14.25; yearling wethers, $9.25 to $12.25; fat ewes $5 to $7.25; feeding lambs medium to choice $12 to $14.

Long Island Green Mountain potatoes sold at $2.55 to $3 per 100 pounds in eastern cities. Maine sacked Cobblers mostly $2.50 to $2.85 in the East; bulk stock mostly $1.60 f.o.b. Presque Isle. Virginia yellow sweet potatoes $2.50 to $3.50 per barrel. New York Domestic type cabbage $14 to $20 bulk per ton in eastern cities; $10 to $11 f.o.b. Rochester. Eastern and midwestern Wealthy apples 75¢ to $1.25 per bushel basket. Illinois and Missouri Jonathans mostly $1.25 to $1.75.

Grain prices quoted September 21, 1926: No.1 dark northern Minneapolis $1.42 to $1.53; St.Louis $1.39. No.2 hard winter St.Louis $1.40. No.3 yellow corn St.Louis 77¢; Minneapolis 74¢; No.3 white oats St.Louis 44¢; Minneapolis 39¢.

Middling spot cotton in 10 designated spot markets declined 12 points, closing at 15.53¢ per lb. October future contracts on the New York Cotton Exchange declined 8 points, closing at 15.79¢, and on the New Orleans Cotton Exchange they advanced 12 points, closing at 15.82¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 20,	Sept. 19,	Sept. 20, 1925
20 Industrials	157.56	156.26	146.11
20 R.R. stocks	120.71	120.48	103.18

(Wall St. Jour., Sept. 21.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

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THE PRESIDENT AND HIS FARM

President Coolidge, in a recent talk with his friend Bruce Barton, the substance of which is published in to-day's press, is quoted as saying: "I have never given any thought as to what I might do after I leave public life. I have a farm in Vermont on which I feel confident I could support myself and my family."

COPELAND ADVISES GREATER BREAD CONSUMPTION

An Atlantic City dispatch to the press to-day says: "An emphatic plea for greater consumption of bread was made yesterday by Royal S. Copeland, Senator from New York, chief speaker before the twenty-ninth annual convention of the American Bakers' Association, in session at Atlantic City. Increased consumption of bread, he declared, will ease conditions of the farmer and cause the food budget of the average family to drop considerably. Bread, he showed by analysis, contains all the necessary elements of a diet. 'The wheat farmer is in distress,' said Senator Copeland. 'When he suffers, the Nation suffers. Agriculture is the basic industry. To sell the products of the manufacturing East, there must be prosperity in the wheat growing West. There can be no happiness nor industrial activity without sale of the products of the farm. Increased amounts of the things you make will bring greater demand for what the farmer raises. His welfare is yours, and yours is his. Prosperity of both is the prosperity of all of us.'

"The speaker declared that the bread now made by commercial bakers is more uniformly good than was the bread 'mother used to make.' 'Flour now is made by standard methods out of properly graded wheat,' he said, 'and commercial bakers can control temperature and humidity as the home bakers could not. The famous breads on the market to-day are pure in material, devoid of deleterious drugs, rich in food values and deliciously presented to us.'....It was pointed out by the Senator that one-third to one-half of the expenditures in every home are made for food, and that if bread were to resume its old-time popularity, the food budget would drop materially. Bread-making, he asserted, is the second largest industry in the country, and rivaled only by the dairy interests. Figures presented to the convention by the Senator showed the annual consumption of bread in the United States is 38,000,000,000 pounds, as compared with an annual meat consumption of 16,000,000 pounds."

COTTON GROWERS FIGHT RATES

The press to-day states that cotton growers' cooperative organizations in Georgia, Louisiana, Missouri, Oklahoma, Arizona, Tennessee and South Carolina filed yesterday with the Interstate Commerce Commission identical complaints against railroad rates on cotton to principal marketing and exporting centers. The rates were attacked as excessive and unreasonable, but no statement was made as to the degree of reduction demanded.

NEW YORK FUR SALE

The press to-day reports that the September raw fur auction of Frederick Huth & Co. ended at New York yesterday with sales totaling $1,050,000. Those for the final day were $250,000. The concluding sessions were featured by the active bidding for wolf and raccoon.

Section 2

Cooperatives in Canada

About 430,000 farmers out of a total of 700,000 in the Dominion now sell the products of their soil in some measure cooperatively, a Canadian Pacific bulletin estimates. The total volume sold in this way in 1925 was worth about $300,000,000, from which it is estimated that nearly 60 per cent of all the Canadian farmers last year sold 30 per cent of their entire production in this manner. The bulletin continues: "Almost every product of the farm is marketed cooperatively in Canada in some portion of the Dominion. Apples and other fruits are so disposed of in Nova Scotia, Ontario and British Columbia; milk for human consumption and butter and cheese manufacture in almost every one of the nine provinces; commercial livestock for the market in every province; seeds of all kinds in every province; hay in Alberta, Ontario and Quebec; wool in every province through the Canadian Cooperative Wool Growers' Association; vegetables in Ontario and British Columbia; tobacco in Ontario and Quebec; potatoes in several provinces; eggs and poultry in almost every province to some extent, and wheat and other grains through that immense cooperative organization, the wheat pool."

Farm Tenancies in Britain

Country Life (London) for September 11 says: "In view of the attention which is now being devoted to the future of the land, there is much of considerable interest in the valuable contribution to the International Review of Agricultural Economics on 'Agricultural Tenancies in England,' in which Sir Henry Rew has traced the ups and downs of land tenure. Before one can speak with authority on a subject which is so complicated as that of the land, it is essential to be able to trace all the factors which have contributed to the present impasse. There are many volumes which cover this field, but the most recent study is refreshingly brief and yet sufficiently comprehensive to give a true account of affairs. The section dealing with the present land system provides considerable enlightenment for those not familiar with the true facts... In touching upon the future of English land tenure, Sir Henry Rew rather leans to the views that nationalization is a possibility by reason of the trend of events. Thus the late Minister of Agriculture, Lord Irwin, is quoted as having indicated in a speech that occupying owners will find it increasingly difficult to supply and maintain the capital equipment of the land. This is probably true of a rural industry which takes its standard from the present level of prices and returns, but the majority of people who have any direct interest in the land hope that means will be forthcoming which will insure a reasonably prosperous era, as a result of which it might be possible even to safeguard what is known as the 'landlord's capital.'....."

Fire Waste

The National Fire Waste Council which is sponsored by the insurance department of the Chamber of Commerce of the United States will hold its fall meeting at the headquarters of the national chamber in Washington on September 29. Several of the council's committees will meet in Washington on the preceding day. Among these are the contest committee which is now working out plans for establishing personal contacts with every chamber of commerce enrolled in the inter-chamber fire waste contest, the fire casualty statistics committee, which will review the reports on deaths and injuries received over a three month period from a number of States, and the agricultural committee which has been created for the purpose of assisting farmers in reducing their fire losses. A meeting of the executive committee of the council is scheduled for the evening of September 28. A feature of the council meeting will be a

series of addresses closely related to the activities in which the council is engaged. Vincent S. Stevens, secretary of the Akron, Ohio, Chamber of Commerce, will speak on the subject "The Fire Prevention Problems of a Chamber of Commerce Secretary". Dr. C.W.Warburton, Director of Extension Service of the U.S. Department of Agriculture, will speak on "Governmental Cooperation in Farm Fire Prevention". This address will give some indications of the widespread scope of the agricultural committee's activities. Although the Council has been interested in forest fire prevention, this subject has never been discussed at any of these meetings. Paul Reddington of the United States Forestry Service has accepted an invitation to address the Council on "The National Problem in Forest Fire Prevention". (Press statement, Ch. of Com. of U.S.)

Florida Dairies Damage

The press of September 22 states that E.S. Perot, jr., president of Southern Dairies, Inc., has issued a statement saying that total damage to all plants in Florida by the hurricane will not exceed $5,000. This slight injury is due to the fact that all plants are of modern steel and concrete construction. Reports show milk distribution will rapidly resume normal conditions. Milk shipments to Miami have been doubled to meet the emergency.

Florida's Disaster

An editorial in The Wall Street Journal for September 22 says: "A part of Florida, perhaps the most conspicuous part and that which has been generally in the public eye during what was certainly the most remarkable real estate development the world has ever seen, is subjected to a disaster more searching, more tragic, more demoralizing than the collapse in speculation which took place last year....It is obvious that the estimates of damage are impossibly large....One of the reporters quoted speaks of damage which it 'will take five years to remedy.' He speaks of building developments, like that of Hollywood and the much more important one of Coral Gables, having been wiped out. But they could not be wiped out by any hurricane, even if, as often happens, devastating fire followed in its wake. All that has been wiped out is a certain class of building, that which lacked steel construction. It is a terrific loss, but it is measurable and can be met in months rather than in years. Obviously the streets are not wiped out. The sewage and electric systems, the water supply are merely superficially damaged. They are not destroyed. Incomparably the greater part of them is as good as ever. It is true that nothing can replace the lives lost. Credit can rebuild the houses and the State of Florida has $17,000,000 in its treasury. This is not time for pessimism and we may well remember the essential difference between superficial damage, however great, and radical destruction...."

Irish Emigrant Training Farm

An editorial in The Irish Statesman (Dublin) for September 4 says: "The Government of Northern Ireland is doing a praiseworthy thing in establishing a training farm for its emigrants, so that they shall receive some practical instruction in the methods of farming in the Dominions before they emigrate. Too many Irish emigrants in the past went to the New World totally unequipped with anything but body and muscle. As a rule the German or English emigrant came to the United States with the knowledge of some craft, but the vast majority of those coming from Ireland were unfitted at the start for anything except unskilled labor. As a rule it was the second generation of the Irish in America, who, educated there, were able to use their quick wit in competition with the nationals

from other countries and come to the front in the competition. Too many of the Irish arrivals coming from backward districts in the West of Ireland were utterly unfitted for industrial life, though they congregated in cities for the most part, but probably even the hard unskilled labor they had to undertake seemed better to them than the life on the land they remembered. The fact that in Great Britain and Northern Ireland the Governments are taking steps to fit their emigrants for some profession shows the advance in social conscience....It is probable enough that if humanity does not incline a State to fit its emigrants for their new life that the States hitherto receiving immigrants without much or any inquiry will fix standards and refuse to admit any except the highly-skilled and competent."

Prices in August

A further slight decline in the general level of wholesale prices from July to August is shown by information gathered in representative markets by the Bureau of Labor Statistics of the U.S. Department of Labor. The bureau's weighted index number, which includes 404 commodities or price series, registered 149.2 for August compared with 150.7 for July, a decrease of 1 per cent. Compared with August, 1925, with an index number of 160.4, there was a decrease of 7 per cent. Farm products averaged somewhat lower than in July, due mainly to declines in grains, cattle, hogs, lambs, live poultry, and onions. Foods also averaged considerably lower than in the month before, and minor decreases were reported for chemicals and drugs, housefurnishing goods, and miscellaneous commodities. On the other hand, clothing materials, fuels, metals, and building materials showed slight increases for August over July.

Price Theories

An editorial in The Journal of Commerce for September 21 says: "The fact that the general level of wholesale prices has once more gone off slightly, according to official indexes, notwithstanding the prevalence of great activity in business and general prosperity all around, again challenges the interest of all who are concerned with price theories or are in any way dependent upon changes in the price level....It is not altogether a coincidence that just at the time when prices are more stable than for a long time past, and if anything still showing a slight disposition to recede, there is a revival of schemes for producing artificial stabilization. Professor Lehfeldt, of South Africa, for example, in current publications is advocating joint action on the part of the governments of the world designed to obtain control of the gold output and by regulating it to regulate prices. This proposal has the indorsement of Professor Irving Fisher of Yale in a current article, and is apparently approved by a number of other authorities on economic questions. It, of course, implies that the regulation of gold output would, as a matter of fact, control the movement of prices and would enable the maintenance of the present comparatively stable level. More dangerous, however, than the unwarranted suggestion that a control over gold output or of the amount of gold in coin would control the price level is the opinion which has gained wide currency that present comparative stability of price levels is the result of a deliberate effort on the part of the Federal Reserve system or of the Government of the United States to prevent prices from shifting.... Neither from the point of view of Government oversight or banking control or credit supervision, or reduction of gold holdings, or actual shrinkage in bank advances is there any warrant whatever for the belief that either public or banking activity has had any effect upon the price level. What

has been done ought to have raised prices if there was any truth whatever in the current theories on the subject. Present stability of prices in the United States must be explained by much more careful and far-reaching analysis of methods of production, marketing and sale than has yet been resorted to...."

Section 3
MARKET QUOTATIONS

Farm Products

Sept. 22: Chicago livestock quotations: top price of hogs $13.40 while bulk of sales were at $11.25 to $13.25.

Long Island sacked Green Mountain potatoes $2.55-$2.85 per 100 pounds in the East. Northern Round Whites $1.75-$2.10 on the Chicago carlot market. Virginia Yellow sweet potatoes $2.50-$3.50 per barrel in terminal markets; few sales $2.50 f.o.b. Tennessee Nancy Halls $1-$1.15 per bushel hamper in Middle West. New York Domestic type cabbage $16-$20 bulk per ton in eastern consuming centers; $10-$11 f.o.b. Rochester. New York and Michigan Oldenburg apples 50¢-90¢ per bushel basket. Wealthys $1-$1.25. New York and Virginia northwestern Greenings $2.25-$2.75 per barrel in New York City.

Closing prices on 92 score butter: New York 45 1/2¢; Chicago 44¢; Philadelphia 46 1/2¢; Boston 45 1/2¢.

Closing prices at Wisconsin primary cheese markets Sept. 21: Cheddars 22 1/8¢; Single Daisies 22 1/2¢; Longhorns 22 1/2¢.

Average price of Middling spot cotton in 10 designated markets declined 17 points, closing at 15.36¢ per lb. October future contracts on the New York Cotton Exchange declined 16 points, closing at 15.63¢, and on the Chicago Board of Trade they declined 16 points, closing at 15.64¢.

Grain prices quoted: No.2 red winter-St.Louis $1.39. No.2 hard winter-Chicago $1.40; Kansas City $1.32-$1.39. No.2 yellow corn-Chicago 79¢; St.Louis 77¢; Kansas City 81¢; No.3 yellow corn-Chicago 78¢. No.3 white oats- Chicago 41¢; St.Louis 43¢; Kansas City 42¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Sept. 22,	Sept. 21,	Sept. 22, 1925
	20 Industrials	156.65	157.56	145.74
	20 R.R. stocks	120.28	120.71	103.41

(Wall St. Jour., Sept. 23.)

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Vol. XXII, No. 72 Section 1 September 24, 1926.

FLORIDA'S PROPERTY LOSS

A Miami dispatch to the press to-day reports property loss as follows: "Greater Miami district, including Miami Beach, Coral Gables and Cocoanut Grove, $100,000,000, estimated by Miami Chamber of Commerce. Hialeah, $15,000,000, estimated by Mayor Grethen. Hollywood and Dania, $25,000,000 to $35,000,000, estimated by J.W. Young, developer of Hollywood. For Lauderdale, $25,000,000 to $35,000,000, estimated by city officials."

The Associated Press to-day reports: "Great as have been the property losses in the Florida hurricane, Secretary Hoover estimated yesterday that they were too small in comparison with total national wealth to occasion any depression or halting in existing business activity. They will be distributed through the mechanism of insurance, at least in part, he said, and hardly noticed...."

TAX SURPLUS

The press to-day reports: "Tax receipts are exceeding previous estimates by so large a margin that Treasury officials yesterday were about ready to agree that the predicted budget surplus of $185,000,000 for the fiscal year 1926-1927 would be exceeded. Secretary Mellon also thought it to be possible, and there are some who are now estimating the surplus at not less than $300,000,000.

Secretary Mellon yesterday described as impossible the proposal of Chairman Oldfield, of the Democratic Congressional Campaign Committee, that the surplus of $370,000,000 of last year be added to the probable surplus for this fiscal year and a total cut of about $500,000,000 in taxes be made. This would cut the annual Government revenue below its regular needs, the Secretary said."

CROP DRYING MACHINE

A dispatch to the press to-day from Plainsboro, N.J., says: "The first public demonstration of the new Mason crop drying machine was held at Plainsboro yesterday at the Walker Gordon dairy farm and in the opinion of farmers who witnessed the demonstration, if the machine always works as well as it did yesterday, it will be necessary no longer to 'make hay while the sun shines.' Within an hour after green alfalfa had been cut and carried to the machine it had been dried and placed in bags in the form of alfalfa meal, a process which, it was said, would have taken two days under the best conditions for sun drying with the loss of a large percentage of the nutrition value of the crop through fermentation and depreciation. Farmers expressed the opinion that the machine would prove as revolutionary in the agricultural industry as the McCormick harvester and reaper....The inventor is Arthur Mason of Chicago, formerly connected with the Bethlehem Steel Corporation. The machine is designed so that smoke and hot air dry the crop as it passes on an endless belt through the apparatus. ...."

Section 2

Credit

Federal Reserve Bulletin for September says: "In recent weeks the volume of member bank credit, which has been growing since the early spring, increased further, partly in response to the seasonal demand for currency and credit in connection with the harvesting and marketing of crops. This increase has carried the volume of credit to the level that prevailed at the close of 1925. When the first eight months of 1926 are considered as a whole, it appears that the fluctuations in the volume of member bank credit have been smaller this year than in other recent years and that the period has been characterized primarily by the continued large volume of member bank credit outstanding. At the reserve banks the volume of credit in use has also shown a recent increase and throughout the past eight months has been at a level about $100,000,000 above that prevailing a year ago. This larger use of member bank and reserve bank credit has been reflected in the money market in a level of interest rates continuously above that in 1925."

Farmer Needs in Alabama

Hugh McElderry, president of the Talladega National Bank, writing to Manufacturers Record for September 23 ,says: "My observation extends to Talladega, Clay and Shelby Counties, Alabama, and not beyond. In Talladega County we make approximately $1,500,000 worth of cotton per annum and consume same in cotton mills located within the county. We have 3,000 automobiles, cost each $300 per annum, or $900,000. We are buying each year 1,000 new cars at a cost of $600,000. Thus our cotton crop is absorbed in automobile gas and replacements. As these cars are bought on installment plan, practically all our cotton crop goes out of the State. The country town dweller faces hard times, as does the farmer; the country merchant and the farmer breaking above even is the exception. Our cotton mills are running, but it is a hand-to-mouth business and without much profit, if any. We have done well in road construction both as to State highways and local roads. Talladega has new water-works, new gas works, largely increased school facilities and excellent railroad and hydro-electric facilities, and our local banks have funds beyond local demands. Our imperious need is for the improvement of our farmers. As we see it, the farmer is not in need of credit, but is in need of refrigeration plants and marketing facilities. For instance, we have few hogs, cattle or chickens. A refrigeration plant, where the farmer could cure and store his meats, vegetables and fruits pending sale thereof, would do more for him, in our opinion, than anything else, and as the farmer's purchasing power increased the country town dweller would prosper. By the development of our hydro-electric power on every farm and farm village, I see the possible solution of our farming problems."

Fox Farming in Canada

"The development of the Canadian fur-farming industry is illustrated in the remarkable growth of the Silver Fox Breeders' Association," says a Canadian Pacific bulletin. "In 1921 it had 109 members with 805 pedigrees registered, and in 1925, 2,508 members with 36,300 pedigrees registered. The 1926 membership of the association is stated to be 3,100. Vancouver is now successfully asserting its right to the marketing of the raw fur catch of the Pacific Northwest, as well as the rapidly increasing fur farms of British Columbia. Edmonton is likewise endeavoring to fix its position as the marketing center of Northwest Territories and the Mackenzie River Basin."

Finnish Farming

Sir Frank Fox is the author of a comprehensive article on Finnish Farming in The Nineteenth Century and After for September. He says in part: "Finland is chiefly a land of small farmers; 65 per cent of the population owe their existence to farming and forestry. The two occupations of husbandman and woodman are often carried on together, the small farmer having rights over a little section of woodland, the forester having a patch of arable land to grow part of the food for his family and for his stock. The most important crops are oats, autumn rye, barley, potatoes, and hay....Since the achievement of her freedom Finland has pursued steadily a policy of peasant proprietorship, but has done this not by a method of abuse and class warfare, but by asking the patriotic cooperation of all the landed interests. In 1901 only 23 per cent of the families in the rural districts owned land. A policy of the closer settlement of the farm lands on a basis of equitable compensation to owners of estates was then established. The Land Purchase Act of 1918 gave every tenant the opportunity of becoming the owner of his leasehold, the redemption or purchase price being paid to the landowner in 5 per cent bonds guaranteed by the Government. Tenants pay the Government yearly installments of the purchase price....The yearly installments liquidate the principal in thirty-seven and twenty-one years respectively. The landowners, appreciating the great social and economic importance of the scheme, are in general helpful. Thanks to this measure, by the end of 1922 no less than 50,000 small holdings, crofts, and rural dwelling sites had been established as independent freehold properties....In 1922 new legislation created two forms of land settlement properties, those for purposes of cultivation and those for the purposes of housing accommodation, with the provision that in the last resort, but only in the last resort, large estates may be compulsorily purchased and divided into small holdings. To-day about 92 per cent of the total of the arable land of Finland is held in farms of less than 250 acres....Having got the farmer on the land as a proprietor, Finland takes care to give him a good chance. The farming and dairy interests of Finland owe their prosperity largely to the cooperative movement, which is chiefly a rural movement 'to promote the economic prosperity of the people by means of cooperation and to be a connecting link between the different cooperative enterprises.'...There are two central agricultural supply cooperative societies. The chief one deals both in agricultural requisites (such as manures, fodder and machinery, and seeds) and in agricultural produce. Its seed department, dating from 1911, is of considerable importance: the resulting improvement in the native seeds has been of great benefit to the farmers of Finland. Its machinery department deals in agricultural machinery, machinery for dairies, flour-mills, saw-mills, etc. It has a number of flour-mills and a center for dealing with raw hides. Other agricultural cooperative societies deal with livestock, with timber, with eggs, with peat fuel. There is even a cooperative society to deal with whortleberries! In the result it amounts to this--that the Finnish agriculturist in every branch of production has at his back an organization which strives to get for him at the lowest possible price all that he consumes; to sell for him at the highest possible price all that he produces; to keep rates down for transport and for power; and to give him all the advantages of modern research."

French Farm Population Scheme

A new scheme for preventing the desertion of village and farm life in France has recently been suggested by M. Ambroise Rendu, member of the Paris Municipal Council. Speaking in the name of the Committee of the "Back to the Farm" movement, M. Rendu, according to advices just received by the Bankers Trust Company of New York from its French information service, states that the most efficient remedy for high cost of living is to increase production and this can only be done by preventing village people from emigrating to cities. The main thing is to prevent the exodus of girls, as they do not return to the farm after they have tasted town life. To achieve this, M. Rendu suggests that every girl born in a village should have an insurance taken in her name at the time of her birth, securing a small capital of 10,000 francs - at her coming of age, this capital to be invested in the purchase of a farm which would enable her to marry and found a home in the country. Of the 350,000 girls born in France every year, about 26 per cent die before they are 21, and of the remaining 233,000 only about 120,000 live in the country. This would mean 1;200 million francs to provide for the suggested insurances which would be paid by the State, the community and the child's family. This scheme has already been adopted by the General Council of the Seine Interieure Department and is being studied by that of the Cote d'Or, while the General Council of the Seine has adopted, at M. Rendu's suggestion, a somewhat similar plan for girls receiving parochial relief. M. Rendu's scheme of insurance has been submitted to and approved by the Minister of Agriculture.

Land Reclamation

An editorial in The Journal of Commerce for September 23 says:"... A Cabinet member returning to Washington the other day from a western journey announced great interest in a reclamation project favored by certain western groups, and added that here was one method of solving at least a part of the farm problem. It is not altogether clear just what 'farm problem' the official in question had in mind. He may have had reference to the general question of taking whatever steps seem, from a long time point of view, necessary to keep us permanently as possible upon a self-supporting basis in respect of staple foodstuffs. If so, there may or may not be some justification for the theory put forth. If, however, as press dispatches seem to indicate, the irrigation plan in question was being considered as a part solution of what is to-day popularly called the farm problem, i.e., the task of seeing to it that the rank and file of the farmers of the country have an equal chance with other classes of business to thrive, it is certainly little less than absurd to talk of a reclamation project as an important aid. In the first place years must elapse at best before the reclaimed land is productive, and in the second, our farmers on land already in cultivation are producing enough to keep prices rather uncertain as a rule."

National Prosperity

An editorial in The Wall Street Journal for September 23 says:"... Representative Oldfield says that the country is not prosperous...The prosperity of which Washington boasts, he says, 'is the prosperity of a favored few at the expense of the many.' Among these favored few, one may surmise, are those who absorb 350,000 motor cars a month, in addition to the 20,000,000 already in use. Some hundreds of thousands of new homes are being built each year by the favored few, who are also dividing among them nearly 50,000,000 tons of steel annually. That the railroads are carrying more freight than they ever did before Mr. Oldfield sagely attributes to the fact that the favored few are calling for 1,100,000

carloads of commodities every week. The farmers 'arent enjoying any' of this prosperity, the intense activity among manufacturers of farm implements being attributable, curiously enough, to the favored few who are not farmers. Elected from a cotton State, Arkansas, Chairman Oldfield declares that 'the President's Agricultural Department gave out an unwise and unwarranted estimate on this year's possible "maximum cotton crop" that was reflected in a ten-dollar per bale drop in the price, and cost the cotton growers $150,000,000.' One learns from this not only that all cotton growers disposed of their entire crop at the bottom of the recent price decline, but that all of the private estimates, including those from the South, which support the Government estimates, are likewise unwise and unwarranted. That the cotton textile industry has within the past sixty days experienced the first upward turn in its business for nearly a year past is of no moment compared with the facility with which Mr. Oldfield's mind skips from the decline in the price of cotton, on prospects of a bumper crop, to the hardships the cotton mills have experienced for two years past....So prosperity, like the 15,000,000-bale cotton crop, is a figment of the official imagination...."

Section 3
MARKET QUOTATIONS

Farm Products

Sept. 23: Grain prices quoted Sept. 23: No.2 red winter Chicago $1.38; St.Louis $1.40. No.2 hard winter Chicago $1.43; St.Louis $1.42; Kansas City $1.33 to $1.41. No.2 yellow corn Chicago 80¢; Kansas City 80¢. No.3 yellow corn Chicago 79¢; St.Louis 77¢. No.3 white oats Chicago 42¢; St.Louis 45¢; Kansas City 43¢.

Closing prices on 92 score butter : New York 45 1/2¢; Chicago 44¢; Philadelphia 46 1/2¢; Boston 45 1/2¢.

Maine sacked Cobbler potatoes closed at $2.25 to $2.65 per 100 pounds in eastern markets; bulk of stock mostly $1.45 f.o.b. Presque Isle. Long Island sacked Green Mountains $2.50 to $2.85. New York domestic type cabbage ranged $14 to $25 bulk per ton in eastern distributing centers; mostly $10 f.o.b. Rochester. New Jersey and Pennsylvania Elberta peaches steady at $1.50 to $2 per bushel basket in the East. New York and Michigan Oldenburg apples steady at 50¢ to 90¢ per bushel basket. Eastern and midwestern Jonathans $1 to $1.50.

Chicago hog prices closed at $13.60 for the top, bulk of sales $11.25 to $13.40; beef steers show marked decline, heifers are also slightly lower while cows range from steady to 15¢ higher. Vealers are steady to 25¢ up while heavy calves are unchanged. Stocker and feeder steers shared in the fat steer decline. Fat and feeding lambs show declines while yearling wethers gained slightly and fat ewes are unchanged.

Middling spot cotton in 10 designated spot markets declined 116 points, closing at 14.20¢ per lb. October future contracts on the New York Cotton Exchange declined 120 points, closing at 14.43¢, and on the New Orleans Cotton Exchange they declined 116 points, closing at 14.48¢. (Prepared by Bur. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept. 23,	Sept. 22,	Sept. 23, 1925
20 Industrials	156.96	156.65	146.02
20 R.R. stocks	120.97	120.28	103.78

(Wall St. Jour., Sept. 23.)

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DAILY DIGEST

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Vol. XXII, No. 73 Section 1 September 25, 1926

CREDIT AND COSTS An Atlantic City dispatch to the press to-day says: "The Board of Directors of the National Association of Credit Men, meeting at Atlantic City yesterday, expressed the view that more credit for the farmer is not necessary, but good planning, good marketing and the reduction of waste. 'The produce of the farm can not be regulated with the certainty and the precision which control the produce of the factory,' the declaration read. 'The farmer has his peculiar problems, and they have not always been attacked with an economy and far-seeing skill. Computing the gross income from agriculture in the present year during the season 1925-26 at $12,500,000,000 the effect of this income on our general welfare must be recognized and everything reasonable must be done to maintain the income from agriculture at a proper peak. Furnishing more credit to the farmer is not, in the opinion of this meeting, what is really needed. The spread between prices received by farmers for their produce and prices paid by consumers indicates very clearly the amount of wastage occurring somewhere in between, and this is the place where intelligent and persistent attacks should be made.... Good plans and machinery for marketing the produce of the farms to markets where and when needed, controlling the wastage that inevitably occurs through market price, these offer the remedy that should preserve an adequate return to the farmer for his labor and be just also to the consumer. This is the credit view of the situation, a persevering attack on costs with such credit facilities as may be needed for current operation, and not for the contraction of permanent obligations.'...."

WOOL MARKET The Commercial Bulletin (Boston) to-day says: "The wool market is stronger again this week. The larger worsted mills have lifted a large weight of wool from the market and still seem to be hungry for the staple, although the tendency of the market is steadily against them. It is evident that the goods market has responded to the low prices named for goods and the very evident healthy condition of the market itself. Moreover, prices on goods are rising, as is inevitable under the circumstances. The foreign markets are stronger than ever. London has reached the peak point of the sales late this week, in spite of the increased offerings....."

MOTOR VEHICLE REPORT An editorial in The Washington Post to-day says: "If the assumption that the average American family consists of five and a half persons is correct, then there is in operation one motor vehicle for each family in the United States. This estimate is based upon the figures issued by the Bureau of Public Roads of the Department of Agriculture, which finds that there were 19,697,832 automobiles registered on June 30 last....Privately owned cars have made serious inroads into the passenger receipts of railroads heretofore catering to suburbanites, and busses have also taken over much patronage. But the railroads are increasing their long-haul passenger traffic in spite of motor competition. As for freight competition by trucks, the railroads seem to have made a net gain because of truck transportation, instead of losing....The truth is that passenger and freight traffic is rapidly increasing in this country, so that both railroads and motor transport are expanding."

Section 2

Banker Resolutions

A Richmond, Va., dispatch to the press of September 24 reports: "Resolutions favoring the raising of the immigration quota to 6 per cent in order to provide a greater supply of farm labor; passage of a constitutional amendment allowing Federal taxation of income from future issues of State and municipal securities, and heavier levies on tax exemption already issued through the medium of higher inheritance and estate taxes were passed at the closing session September 23 of the convention of the Mortgage Bankers' Association of America held at Richmond."

Business and Farm Psychology

An editorial in Idaho Farmer for September 16 says: "Secretary W. M. Jardine of the Department of Agriculture recently declared his belief that 'business men in the past have tried to help the farmers, but the business men have not the right psychology.' The business man is quite apt to jump at conclusions regarding farming and the farmer is quite as apt to jump at conclusions regarding business. As a rule neither has taken the time and brains to ferret out the facts upon which legitimate conclusions can be based. Some years ago E.A. Bryan, former president of the State College of Washington, said that he asked President Schurman of Cornell University, one of the biggest-brained college presidents of his day, if the latter had any knowledge as to a bushel of wheat being economically followed step by step from the time it left the farmer till it appeared in the hands of the consumer. President Schurman replied that he did not know of any such serious study having been made. This may have been done since, but the conversation between the two college presidents is evidence that many assumptions are easily taken for facts. If the business man has not the right psychology regarding farming it is largely because he is too busy with his own affairs to give the necessary time and thought that the farm problem requires. In the same way the farmer is too busy with farming to give the time and thought required to ascertain the facts upon which the successful business is based...."

French Tobacco Production and Consumption

In connection with the promulgation of the new French Constitutional Law, according to which net receipts from the State monopoly of tobacco will henceforth be applied to the amortization fund, the "Illustration Economique & Financiere" has published the following data on the State tobacco monopoly which have just been received by the Bankers Trust Company of New York from its French information service. The consumption of tobacco in France increases from year to year and while in 1870 it totaled slightly more than 31,000,000 kilos, in 1913 it had risen to 43,500,000 kilos. The increase has been still more marked since the war; in 1923 France's consumption of tobacco amounted to 53,350,000 kilos of which 38,000,000 kilos of tobacco and 8,000,000 cigarettes came from the French State manufactories. Imports in cigarettes have not increased owing to the high rate of exchange. Considerable efforts are being made to promote tobacco growing in France and in her colonies and since 1924 the area used for growing tobacco has exceeded pre-war figures: 14,616 hectares in 1924 as against 9,319 hectares in 1919 and 14,151 hectares in 1913. Purchases of tobacco which in round numbers were 24,000,000 kilos in 1913 amounted to 28,000,000 kilos in 1924. Much larger quantities of tobacco could be drawn from the French colonies whose yearly shipments to foreign countries reach an average of 200,000,000 francs while those to the metropolis do not exceed 119,000,000 francs. In fact France could

easily draw from her colonies the whole amount of tobacco needed for the country's consumption if tobacco growers adopted the qualities grown in the United States and Mexico.

Section 3

Department of Agriculture

1 An editorial in Montana Record-Herald for September 16 says: "Secretary Jardine has interested the farmers of the United States by presenting a new phase of the question of subsidized wheat under the McNary-Haugen plan. The bill would tax all the wheat farmers on their crops to finance the selling of the surplus crop outside of the country, and to hold it off the market in the United States so as to make the whe used in the country command a higher price. He has pointed out that the farmers themselves consume within a few thousand bushels of half of the 835,000,000 bushels of wheat raised in the country. He asked whether or not the additional price that might accrue to them for what they sold here would offset the tax on the 412,000,000 bushels they use themselves He also asked the cotton, corn, dairy and cattle farmers what benefits they would receive under the bill to compensate them for the greater price they would have to pay for wheat. It seems, in respect to this matter, a case of wheat farmers against all other farmers, as well as the rest of the American public. This feature of the matter, suggesting the old objection to tariffs that they benefit one class at the expense of another, shows the proposed bill to be weaker than has been generally supposed."

2 An editorial in The Journal of Commerce for September 24 says: "It is announced from Washington that immediately after a conference between southern Representatives in Congress with the Secretary of Agriculture, the latter official ordered discontinued the so-called 'Range estimates' on cotton which have heretofore been a regular part of the semi-monthly crop reports of this season which have come out by official authority in Washington. The only authentic explanation of the action taken comes from the head of the Bureau of Agricultural Economics, who says that the bureau has had under consideration the question of discontinuing the service in any case but that in the light of this new protest discontinuance had been made immediate....The point which is at issue is very much more significant than any change in these statistics. It is found in the apparently absolute dependence of the Department of Agriculture upon the farming interests, and particularly upon local farming interests. There is no reason to believe that the department is especially inclined to kow-tow to the southern planter; on the contrary, it would probably have acted equally as quickly, as it has in the past on other matters, if approached by northern or northwestern farmers about something equally close to their interests....Obviously these statistics never ought to have been embarked upon at all unless they were worth while. Why did the department take them up at all? It must have done so after some consideration which led it to think that they were valuable. If so, how can it allow itself to cut them off merely because certain farm interests do not like them?...The Department of Agriculture ought to be a department which views agriculture as a national activity and deals with it as such. The public, including that part of it which buys and sells and manufactures cotton, has exactly the same rights to the consideration of the Department of Agriculture as does the souther cotton planter. These generalizations, of course, would not be disputed for a moment. Why then should

not the authorities guide themselves somewhat in accordance with them? "

Section 4
MARKET QUOTATIONS

Farm Products Sept. 24: Chicago hog prices closed at $13.80 for the top, bulk of sales at $11.50 to $13.65; beef steers continued their downward revision, while heifers were unchanged and cows steady to higher. Vealers were steady to 50¢ up but heavy calves were steady. Stocker and feeder steers declined 40 to 75¢; fat and feeding lambs are 50 to 85¢ lower, while yearling wethers and fat ewes are steady with prices prevailing a week ago.

Long Island sacked Green Mountain potatoes $2.50 to $2.75 per 100 pounds. Maine sacked Cobblers $2 to $2.65 in eastern cities; bulk stock mostly $1.45 f.o.b. Presque Isle. New York Domestic type cabbage irregular, ranging $15 to $25 bulk per ton in eastern markets; $9 to $10 f.o.b. New York and Massachusetts yellow varieties onions $1.25 to $1.75 sacked per 100 pounds in eastern cities; $1.30 to $1.35 f.o.b. Connecticut Valley. Eastern peaches fairly steady at $1.50 to $2 per bushel basket. Michigan Elbertas $1.25 to $1.75 in Middle West. Eastern Jonathan apples, Grimes and Wealthys $1 to $1.25 per bushel basket.

Middling spot cotton in 10 designated spot markets advanced 10 points, closing at 14.31¢ per lb. October future contracts on the New York Cotton Exchange advanced 14 points, closing at 14.57¢, and on the New Orleans Cotton Exchange they advanced 10 points, closing at 14.58¢.

Grain prices quoted Sept. 24: No.2 red winter St.Louis $1.40. No.2 hard winter Chicago $1.41. No.2 yellow corn Chicago 81¢. No.3 yellow corn Chicago 80¢; St.Louis 78¢; No.3 white oats Chicago 42¢; St. Louis 47¢.

Closing prices on 92 score butter: New York 45 1/2¢; Chicago 44¢; Philadelphia 46 1/2¢; Boston 45 1/2¢. (Prepared by Bu. of Agr. Econ.).

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Vol. XXII, No. 74 Section 1 September 27, 1926.

FARM RELIEF LEGISLATION

The Associated Press of September 26 reports: "Although he wil reintroduce the McNary-Haugen farm relief bill in modified form at the coming session of Congress, Senator McNary has little expectatior that it will reach the vote stage, he said yesterday after a visit tc the White House. The exact changes to be made have not been decided upon by the Senator, although he intends to simplify it in an effort to meet the opposition. The equalization fee principle will remain in the bill, but the number of administrative boards proposed will be reduced."

GOVERNMENT REGULATION AND GRAIN TRADING

A Chicago dispatch to the New York Times to-day says: "Speculative trading in grain is confined almost entirely to professionals, with a majority of the business between the 'pit' element. Large speculators, disliking the idea of being called to show their position on the market every little while, have been driven out of the market by Government regulations. It is not charged that there are any leaks in the information secured, but the market action following the calling of statements of the position of the big operators would suggest at times that they were induced to change their lines when they have been in a position to secure good profits....."

FARM PARLEY CALLED

According to the press to-day, a regional agricultural conference, to be held at Montgomery, Ala., October 11 and 12, was called yesterday by the Chamber of Commerce of the United States as the fifth of a series of sectional gatherings to aid the chamber in consideration of a national agricultural policy. The viewpoint of representatives of agriculture, transportation, manufacturing and banking in Alabama, Georgia, Florida, Louisiana and Mississippi will be canvassed at the conference.

HARVEST COMBINES PROVE SUCCESSFUL

A Minneapolis dispatch to the press to-day says: "This is the first year that combines have been used to any large extent in harvesting and threshing the grain crop of the Northwest, and results are regarded as favorable. Around forty combines were in use in North Dakota this season, all but one being west of the Red River Valley. P.A.Lee, secretary of the Farmers Grain Dealers Association of North Dakota, who made a study of the results of the combines, finds that threshing costs were reduced considerably where the combines were used, and also that the movement of grain by the railroads was spread over a somewhat longer period by reason of the combines completing their threshing earlier than it would otherwise have been finished....."

TAX YIELD

The press to-day reports: "The Bureau of Internal Revenue reported in a preliminary statement September 26 that collections for the fiscal year 1925-26 exceeded those of 1924-25 by $212,445,091. In addition, there was an increase of $39,414,532 from all other tax sources, making a total increase of $251,859,625."

Section 2

American Prosperity Analyzed

Ethelbert Stewart, Chief, Bureau of Labor Statistics, Department of Labor, grants an interview conducted by Theodore Knappen, under the title "The Secretary of American Prosperity," to The Magazine of Wall Street for September 25. Mr. Stewart is quoted as saying: "'There is taking place in the United States to-day a new industrial revolution which may far exceed in economic importance that older industrial revolution ushered in by the series of mechanical inventions which occurred in England in the last quarter of the eighteenth century, and which eventually transformed English industrial, political, and social life.' The foregoing sentence from the Monthly Labor Review of the Department of Labor has evoked an amazing amount of comment and a great deal of inquiry as to its implications....This statement was well considered before it was put in print and given to the public. We are in the midst of a new industrial revolution, which apparently will exceed in economic importance the older industrial revolution that eventually transformed not only England's industrial, political and social life, but that of the entire occidental world, if not the whole world. I believe, too, that it will be, on the whole, a more beneficent revolution than the one that swept England to economic and political primacy in the nineteenth century. This new revolution of which we speak is more humane; it unites immense industrial efficiency to an enormous amelioration of the condition of the workers and the general material status of society....One of the first statistical warnings that something revolutionary was happening was the realization that production in various lines of American industry was rapidly increasing without a corresponding increase in employment. The volume of manufacturing output from 1921 to 1925 increased about sixty-two per cent; employment, according to one authority, increased only 14.28 per cent....I find, for example, that the revised figures for the automobile industry show that the output per man in 1925 was three times as great as in 1914, an almost incredible increase in productivity in an industry which attained even before 1914 a high state of efficiency. In fact, I believe it would not be far wrong to say that back in 1914 it was considered that the automobile industry had reached the pinnacle of productive efficiency, and yet each man employed in that industry produces three times as much now as he did in 1914....The increase in per capita production is due not only to increasing skill of management, improved machinery, abundant capital, and so on, but is, undoubtedly, very largely due to the greater energy and concentration and better will put into his work by the average workman....The progress that the United States has made, thanks to the union of engineering science, intelligent workers, progressive management, liberal proprietorship, abundant motive power and cunning machines, may be illustrated by reference to Japan. Although that Nation has a large number of factories, they are on the average very small, and do not yet represent any large subjection of inanimate slaves....But, above all, it is the engineer and the machine that are immediately working the new revolution. It begins where the old revolution stopped. It imagines no end to the extension of the enslavement of the latent physical and chemical powers of the world. The United States literally lives in a future age, compared even with some of the most highly civilized nations....So great is our advance in these last years in production that our problem in the near future is likely to be one of consumption. How can we market the enormous volume of goods we are capable of producing? I have an idea that the full time productive capacity of the manufacturing industries of

America, with but little increase of employment, is already about forty per cent larger than the present market. (Incidentally, there's the answer to the cry for more immigration; we can't afford it.) To some extent we shall find an outlet for this surplus productivity of our people in foreign markets, but it seems highly probable that we shall have to enjoy part of our surplus productive capacity in cultural dividends. As we are now producing more than we can consume, we will be tempted to restrict production. That can be done, rather brutally, by complete suspension of industrial activity in the different industries for a longer or shorter time; or it can be done by part time suspension...."

Bulb Production The Florists Exchange for September 25 publishes the following report of A.J.Clarke, of Portland, Ore., a member of the Committee on the Development of American Products: "As a member of the Committee on the Development of American Products I have the honor to report....that considerable progress has been made the past year on the Pacific Coast in the production of flowering bulbs. Large plantings of Narcissi have been made in the last year up and down the Pacific Coast. It has been quite well demonstrated that Paperwhite Narcissi can be grown successfully in the southern coastal sections. Several large shipments of these bulbs are being made to eastern jobbers this year. In the matter of hardy Narcissi and Daffodils it seems likely that the northern coast section is able to produce them commercially. Considerable Golden Spur and other hardy sorts are being shipped to eastern jobbers this year. This business is, of course, in its infancy, for the reason that as long as imported stock could come in no extensive planting was attempted. Most of the growers are providing themselves with sterilizers so that they can meet the new interstate quarantine regulations. Bulbous Iris are also receiving considerable attention; the various Dutch sorts being the most successfully grown."

Cotton An editorial in The Wall Street Journal for September 25 says: "A surprising Government estimate of the cotton crop at 15,810,000 bales, or 644,000 over the forecast of two weeks ago, discloses a serious problem to be met by growers and some others engaged in the cotton and cotton goods trade. After issuance of the report, cotton futures at the opening rapidly declined about $6 a bale, with the near-month futures selling below 15 cents a pound. Spot middling uplands at the close of the day were quoted at 15.05 cents, against 16.45 the day before. This sharp drop follows on the heels of a decline of about 2½ cents during the preceding thirty days. Growers are undoubtedly hardest hit by the price drop. No comprehensive and authoritative survey has yet been made to afford a basis for compiling costs of production in cotton farming, but opinion is amost universal that 15 cents a pound is much below production cost. With most of the growers, too, cotton is not a by-product, against the cost of which overhead may be omitted. It is the main crop, against which must be charged practically all of the overhead and indirect expense in arriving at the figures to be carried to the account of profit and loss. The proportion of lower grades in the big carryover from last year is believed to be abnormally high. There are many reports of a shortage of labor for picking cotton, especially in Texas, which now produces almost a third of the crop in the United States. This dearth of hands for picking probably means that some of the low-grade cotton figuring in the Government's estimate for this season will not be

harvested. So far this season buyers have apparently been holding off, here and abroad. Activity in buying by spinners' brokers and principals is looked for now that a lower price level is reached. Unhedged converters, affected adversely by the drop in value of stocks of finished cotton goods, goods in process, and raw cotton on hand, can congratulate themselves that they have followed the wise custom of the day of carrying low stocks and pursuing a hand-to-mouth purchasing policy. Producers in established growing regions also can find some solace in the Government estimate. Lower prices this season will act as a damper on the enthusiastic rivalry with which cotton development schemes have been pushed in the newer regions, notably Africa, Mesopotamia, Australia, Brazil and Peru."

Woolen Industry A. F. McCullogh, writing on conditions in the woolen industry in The Baltimore Sun for September 24, says: "Virtually the same things that caused the distress in the cotton industry can be blamed for the depression in the woolen textile trade. Overexpansion with resultant overproduction was the chief evil, but there was also a lack of cooperation among the woolen men in all branches of the industry. There was, too, considerable inefficient management. The woolen industry, like its cotto brother, was keyed up for abnormal production during the war and enjoyed boom profits. With the coming of peace it found not only that it had out grown itself but that one-half of its normal pre-war trade had been sudde ly lopped off by the fact that the women had abandoned the use of wool fo wearing apparel...."

Section 3

Department of Agriculture An editorial in The Journal of Commerce for September 25 says: "On Thursday the Department of Agriculture issued an estimate of the production of cotton in this country this year. The figure put forth is something more than 15,800,000 bales. This was perhaps a half a million or more bales larger than the trade had expected. Prices broke badly and have since shown but little tendency to rally. The trade pretty well stocked with cotton purchased at higher prices was thus hurt. The farmer who must yet sell his crop, finds himself in a less advantageous position Who is to blame? Is it, as some are certain to assert, the Crop Reportin Board?...If it be asserted that correctness on the part of the Department of Agriculture at the present time would only serve to show how badly it has been missing its previous guesses, the answer is that recent official estimates in that case would not be shown to be much further off than the average run of private guesses....But in any case, it is hardly just to demand of human beings in Government service achievements that human beir in private employ have shown themselves incapable of. The trouble, of course, is that such demands are currently made, and such achievements are steadfastly expected of the Government statisticians, with the result that inevitable errors are serious in their consequences. The conclusion is thus forced upon all thoughtful and fair-minded men that the Governmen can not afford in the interest of the people to attempt to forecast crops or, for that matter, anything else...."

Section 4
MARKET QUOTATIONS

Farm Products For the week ended Sept. 25: Top hogs at Chicago to-day are stea with a week ago at $13.60, bulk of sales at $11.50 to $13.40, showing an advance of 15¢ to 75¢. Stockers and feeders were 25¢ to 50¢ lower, with fat cows and heifers showing similar decline. Vealers held steady. Fat lambs closed 50 to 75¢ lower, yearling wethers mostly 50¢ lower, and feed ing lambs weak to 25¢ lower, compared with a week ago. New York whole-sale fresh meat market on western dressed, good grade meats is $1 lower to 50¢ higher on steer beef, $3 to $4 lower on veal, $6 to $7 lower on lamb, $3 lower on mutton, $3 to $5 lower on light pork loins, and $1 lower to $1 higher on heavy loins.

Potatoes irregular. Maine sacked Cobblers $2 to $2.65 per 100 pounds in eastern cities; bulk stock $1.45 to $1.50 f.o.b. Presque Isle Long Island sacked Green Mountains $2.50 to $2.65. Virginia yellow swee potatoes around 50¢ to $1 lower at $2.25 to $3.50 per barrel in city markets; $2 to $2.15 f.o.b. Apple markets dull. New York and Michigan Oldenburgs 50 to 85¢ per bushel basket. Wealthys 75¢ to $1. Peaches fairly steady. New York Elbertas $1.50 to $2 per bushel basket in eastern distributing centers; $1 to $1.25 f.o.b. Rochester. Michigan and Ohio Elbertas mostly $1.25 to $1.75.

Feed markets generally quiet. Wheatfeeds harder to buy in some markets at going prices but quotations about steady. Red Dog flour slightly higher in East. Hay market unsettled. Alfalfa and prairie practically steady. No.1 timothy - Boston $26.50; New York $26.50; Cincinnati $18; Chicago $25.50; St.Louis $22.50. No.1 prairie Omaha $17; Chicago $19; St.Louis $18; Minneapolis $19.50.

Butter markets during the week ending September 25 continued on the firm trend which has been followed for some time. Trade was active and prices advanced. Closing prices on 92 score butter: New York 45 1/2¢; Chicago 44¢; Philadelphia 46 1/2¢; Boston 45 1/2¢.

Cheese markets advanced 1¢ at the cheese board meetings of Sept.17 at Plymouth, Wisconsin. Trade was only moderately active, however. Wholesale prices on Wisconsin primary markets September 24, 1926: Single Daisies 22 3/4¢; Longhorns 23¢; Square Prints 23 3/4¢.

Average price of Middling spot cotton in 10 designated markets declined 147 points during the week, closing at 14.34¢ per lb. October future contracts on the New York Cotton Exchange declined 142 points, closing at 14.63¢, and on the New Orleans Cotton Exchange they declined 131 points, closing at 14.60¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Sept. 25,	Sept. 24,	Sept.25,1925
	20 Industrials	159.27	158.65	145.56
	20 R.R. stocks	121.88	121.46	103.65

(Wall St. Jour., Sept. 27.)

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DAILY DIGEST

Prepared in the United States Department of Agriculture for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Responsibility, approval or disapproval, for views and opinions quoted is expressly disclaimed. The intent is to reflect accurately the news of importance.

Vol. XXII, No. 75 Section 1 September 28, 1926

PRICE FIXING An editorial in The Philadelphia Ledger to-day says: "The Secretary of Agriculture has been wandering around the country having a look at agriculture and thinking over the McNary-Haugen price-fixing mania. He brings back interesting figures. The average American wheat crop is about 835,000,000 bushels. Of this 660,000,000 bushels are consumed in America and 175,000,000 are exported, to be sold at 'world prices.' McNary-Haugenism seeks to take the 'world price,' add the tariff of 42 cents a bushel, plus an equalization tax, and sell 660,000,000 bushels used in America at that figure. Of this the farmers will sow, use, feed or somehow lose 413,000,000 bushels. They consume more of their own grain than all other consumers together. If the equalization tax is in fact equalized over the wheat crop, the farmer may find himself paying the heavier part of the burden. If and when that comes to pass, what will happen to the bell-wethers of McNary--Haugenism?"

COTTON PRICES A Charlotte, N. C., dispatch to the press to-day says: "Spot cotton prices will seek still lower levels if prospects for the present crop remain unchanged, in the opinion of J. H. Cutter, president of the Charlotte Cotton Exchange. Mr Cutter gave his opinion following the big drop in prices after the Government report was released Thursday.....Farmers present on the local market express alarm over the situation, expressed in the continued decline in prices since September 1 and the big drop of Thursday. The decline since September 1 means a loss of more than $25,000,000 to the farmers of North Carolina, according to an estimate made by Alfred Walker, superintendent of the Charlotte Cotton Exchange."

THE CROP REPORTS An editorial in The Journal of Commerce for September 27 says: "What doubtless are intended as ominous rumblings have been coming out of the State of Texas about the cotton crop reports of the Department of Agriculture. Both last year and this these estimates, particularly those that appeared late in the year, hurt the farmer badly. The remedy, according to these critics, is to discontinue the reports, not simply to patch them up. Anyhow, this sort of injury to the cotton farmer must stop.....It is not impossible that the so-called semi-monthly reports will go by the board, and so long as these estimates are of their present description that would be a good thing. It so happens that last year and apparently again this year, the date of the appearance of bearish information was hastened about two weeks by the system, and, of course, current or recent events far outweigh what went on earlier and what may be expected to happen in the future so far as political minds are concerned. Further than this constructive action is not likely to go. It is by no means probable that cotton reports from the department will be discontinued altogether, and if they were, the last state of affairs might well be worse than the first. What is needed, of course, is a system that would avoid all prediction and concentrate effectively on objective facts. ...."

Cotton Textile Institute

A. F. McCullogh, writing in The Baltimore Sun for September 25, says: "The cotton industry looks to the Cotton Textile Institute to lead it out of the wilderness into the promised land of prosperity. The institute recently was formed by a group of textile men, representing all branches of the industry in both the North and the South. It will be a cooperative organization, modeled along the lines of the Steel Institute, having for its purpose the scientific study of the textile market and the dissemination of helpful trade information among its members. It is the one big effort of the cotton textile men to pull together toward eliminating from the industry its hostility to new methods. It seeks to end the poor distribution and the sharp practice which have obtained heretofore. It was formed as the nearest thing possible to an economic trust within the industry."

Farm Relief

An editorial in The Price Current-Grain Reporter for September 22 says: "In a recent Associated Press dispatch, Senator Fess of Ohio is quoted as saying that a new 'farm relief' bill that was non-partisan would be presented at the next session of Congress. By way of explanation, he said: 'Our plan will permit the farmers to organize just as labor has done and turn the farm produce market from a buyers' market to a sellers' market. If the farmers can control their market through cooperation, their troubles will be over.' To say that the passing of any law or set of them would automatically relieve the farmer of all of his troubles is, of course, only political buncombe. To attempt such a thing is folly. Prosperity can not be legislated into the careless, the indifferent or the improvident farmer at any time or in any way and it can not be legislated into the careful, prudent one every year. There are too many factors no laws can control.....Legislation may help some of the farmers some of the time. Some of our present laws are doing that to-day. Further legislation may help some more of them during certain years, but to say that any man-made statute would immediately lift all of the farmers out of the 'slough of despond' and automatically make their farm operations profitable reminds us of the tale of Aladdin's lamp in the Arabian Nights."

Gardener Scarcity

The Florists Exchange for September 25 publishes a statement made by President Lamond of the National Association of Gardeners at the recent gardeners' convention at Philadelphia. This says: "I should like to draw your attention to the scarcity of experienced assistant gardeners. The managers of the larger estates in particular are handicapped by this scarcity. The 'quota' immigration law and other causes have shut off the main source of supply of trained assistants in our profession, just as Quarantine 37 has shut off our main supply of bulbs. Of course, the remedy in each case is the same, that is, both wants are to be filled with the home-raised product. The National Association of Gardeners did all that it could in connection with Quarantine No. 37 with little or no result. Can it do anything as an association to help in the other case?"

Motor Cars and Installment Buying

An editorial in The New York Times for September 25 says: "The report of the Bureau of Public Roads that 1,927,141 more motor cars were registered in the first half of 1926 than in the corresponding period last year will not greatly surprise those who have watched the extraordinary figures of ordinary production. Output of passenger cars and trucks

in the United States in 1925 was greater by 670,025 than in 1924; the production during the first seven months of 1926 ran 196,058 beyond last year. To the progressive increase in monthly output there have thus far been only occasional interruptions, followed, as in the case of the somewhat apprehensive curtailment in the last months of 1925, by renewed increase to the highest recorded figure. How far this extraordinarily sustained demand results merely from the country's great prosperity and how far from the wide extension of the installment-purchase plan, is a question on which experts differ. The manager of the associated finance companies estimated last March that $2,000,000,000 out of the $3,000,000,000 total sales of new cars in 1925 were made on the installment basis and that probably $1,500,000,000 of 'automobile paper,' representing loans to finance the sale of cars on that plan, wa on the average outstanding at a given time.....Perhaps the most reassuring aspect of the matter is that the problem has been approached with so frank a recognition of the fact that only through strict observance of terms and methods justified by banking experience can the practice be deemed safe."

North Carolina Agriculture

An editorial in Hoard's Dairyman for September 25, says: "An animal husbandry building was recently dedicated at the North Carolina College of Agriculture and Experiment Station. This building is one of the most complete animal husbandry buildings we have ever visited. It makes provision for teaching every branch of animal industry, including the handling of meat and the manufacture of dairy products. This building, to a large degree, emphasizes the growing sentiment among the farmers and their leaders in North Carolina towards livestock and diversification in farming. This State, the same as many others of the South, has devoted itself largely to the one crop system, cotton..... Those who have watched the disappointing results of the single crop system are urging diversified farming and the easiest and best way to establish farming of this character is through livestock....."

Southern Diversification

An editorial in Manufacturers Record for September 23, says: "This is an era of diversification in the South. We see this section diversifying its agriculture, its textile making and its industrial and commercial activities....Not in any endeavor to minimize the agricultural resources of the South--for this section produced 38 per cent of the country's aggregate crop values last year, practically all of its cotton to the value of approximately $1,600,000,000, and yet cotton is grown on only about one-third of the South's total crop acreage, while the acreage devoted to corn, wheat and oats represents 41 per cent, and hundreds of millions of dollars of fruits and vegetables, largely producing a greater variety of crops than any other section of the United States--but to show that the South is more than a great agricultural region we outline a few facts which the Manufacturers Record has been constantly reiterating. The gross value of the South's agricultural products in 1925 was $5,855,000,000, while the value of its manufactured output alone in 1923 was $9,450,000,000, not counting the more than $1,000,000,000 produced from its mines and quarries, giving a total industrial output for the South, of plants producing over $5,000 annually, of over $10,500,000,000, or almost double the annual value of the South's agricultural output in 1925.....The South produces about half of the lumber cut of the country. The census of 1923 shows that the South has over 5,000 establishments in the lumber industry and the value of the output of these establishments was over $681,000,000, or about 46 per cent of the country's total."

Section 3

MARKET QUOTATIONS

Farm Products Sept. 27: Maine sacked Cobbler potatoes $2.15 to $2.65 per 100 pounds in eastern cities; bulk stock $1.40 to $1.50 f.o.b. Presque Isle. Virginia yellow sweet potatoes 25¢ to 75¢ lower at $2.25 to $3 per barrel in city markets; $2 to $2.10 f.o.b. Maryland and Delaware yellows 75¢ to $1 per bushel hamper; few 80 to 85¢ f.o.b. New York Domestic type cabbage irregular, ranging $18 to $20 bulk per ton in eastern markets; $9 to $10 f.o.b. New York yellow varieties of onions $1.50 to $1.65 sacked per 100 pounds in eastern cities; mostly $1.30 to $1.35 f.o.b. Connecticut Valley. New York Oldenburgs 60¢ to 75¢ per bushel basket. Wealthy and Grimes 90¢ to $1.00.

Chicago hog prices closed at $13.85 for the top, bulk of sales $11.50 to $13.60; beef steers declined 25¢ to $1, heifers held steady to 15¢ higher and cows were 10¢ lower to 15¢ higher. Vealers were 25¢ lower to 25¢ higher, heavy calves steady to 25¢ higher, stocker and feeder steers losing 15¢ to 40¢. Fat lambs declined 60¢; yearling wethers 50¢, and fat ewes 25¢.

Closing prices on 92 score butter: New York 45 1/2¢; Chicago 44¢; Philadelphia 46 1/2¢; Boston 45 1/2¢.

Grain prices quoted September 27, 1926: No. 2 hard winter Chicago $1.42. No. 2 yellow corn Chicago 80¢; No. 3 yellow corn Chicago 78¢; No. 3 white oats Chicago 42¢.

Middling spot cotton in 10 designated spot markets declined 42 points, closing at 13.92¢ per lb. October future contracts on the New York Cotton Exchange declined 42 points, closing at 14.21¢, and on the New Orleans Cotton Exchange they declined 37 points, closing at 14.23¢. (Prepared by Bu. of Agr. Econ.)

Industrials and Railroads

Average closing price	Sept.27,	Sept.25,	Sept.26,1925
80 Industrials	158.42	159.27	144.26
20 R.R. stocks	121.75	121.88	103.31

(Wall St. Jour., Sept.28.)

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DAILY DIGEST

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Vol. XXII, No. 76 Section 1 September 29, 1926

THE NATIONAL OUTLOOK

An editorial in to-day's Philadelphia Ledger says: "The President's message to the short session of the Sixty-ninth Congress will be drafted within the next sixty days. The materials for it have been gathered during the summer and are being collected now. The procession of industrialists, financiers, merchants, bankers and Congressmen to White Pine Camp made up a steady flow of contributions to the sum total of the President's view of the state of the Nation. On the whole, the picture given President Coolidge in the Adirondacks was an optimistic panorama of a prosperous nation. Since his return to Washington this has been supplemented by more direct reports from Cabinet members.

"Some of these men have been on journeys that were rather more than mere vacations. They have been in direct touch with such questions as foreign debts, the farm revolt, the business future, the effect of tax reductions, waterway problems and the mood and temper of labor. Their informal reports, foreshadowing later and official reports, indicate there will be few changes in Administration policies. Secretary Mellon was in Europe for weeks. Nothing he found there leads him to believe a change in the American debt policy is necessary. Secretary Hoover made a cross-continental tour, paying special attention to waterways and waterpower. He will have a full-grown program on these subjects ready for Congress this winter. If it is accepted, the long delay in the development and use of these neglected resources will be ended.

"Secretary Jardine has been making his own survey of the farm situation. This has taken him across the heart of the farm revolt, through the Corn Belt and out to the Plains States. He found trouble in Iowa and Illinois. The farmer's dollar still is an 87-cent dollar in its buying power. McNary-Haugenism is by no means dead, but Secretary Jardine returned to Washington with his faith in cooperatives as the only sound and practical solution unshaken. Secretary of Labor Davis also made a cross-continental trip. On his way back to Washington he paid special attention to the condition of labor. This he found surprisingly good, with two exceptions: The textile and soft-coal industries are distressed. Employment was found excellent and at wages from two to three times higher than in foreign countries. The massed buying power of the worker is tremendous. In the opinion of Secretary Davis, labor is friendly to the Administration and business conditions are good...."

FARMER PROTEST IN JAPAN

A Tokio cable to the press to-day reports: "With their leaders imprisoned, 50,000 members of the Proletarian League of Farmers demonstrated throughout Japan yesterday against farm conditions....The League adopted the slogan, 'Establish our right to till the soil,' maintaining that the Government favors landowners in all agricultural disputes. The largest parade was in Osaka, but the most interesting demonstrations were inland, where the farmers gathered in villages when alarm bells rang at an appointed hour and signed petitions. The movement emphasizes again the seriousness of Japan's agricultural problem and impresses upon the Government the probable political effects of the participation of several million farmers, who have not previously voted, in the approaching general election."

Section 2

Business Conditions

The Federal Reserve Board September 23 issued the following statement: "Industrial activity and distribution of commodities continued in large volume in August at a level higher than a year ago. The general level of wholesale prices receded further in August, reflecting price declines for agricultural commodities. The index of production in basic industries, which is adjusted for the usual seasonal variations, declined slightly in August, but this decline was accounted for by the fact that there were five Sundays in August as against four in July. Textile mill activity and production of steel ingots, zinc, and petroleum increased, while the output of pig iron, lumber, coal, copper, cement, and sugar was smaller than the month before. Automobile production increased considerably in August and was larger than in any month since April. Factory employment and pay rolls, after declining in July, increased in August, as is usual at this season of the year. Building activity, as measured by contract awards in 37 States east of the Rocky Mountains, was in larger volume in August than in July or in any other previous month with the exception of August, 1925. In eastern and southeastern States the volume of building was smaller in August than a year ago, while in the Middle West contracts awarded were larger....."

Cotton Market

An editorial in the New York Journal of Commerce for September 28 says: "It will come as good news to a number of groups in the business community here that progress is being made in the improvement of the facilities and other arrangements under which cotton trading can be carried on in New York. Enlargement of storage facilities and improvement in the methods of handling cotton deliverable on New York contracts have both been announced either as faits accomplis or else as reasonably to be expected in the near future. Meantime negotiations are proceeding with some success looking toward better railroad facilities in transporting of the actual cotton. It now appears as not improbable that a feasible plan of through rates with a small transit tariff to be accorded cotton destined for a 'stopover' here, will shortly be successfully worked out. For a good while past there have been insistent endeavors to institute what is known as southern delivery trading in the New York market. Complaints, and well warranted complaints, of manipulation have been used as support for the plan of southern deliveries. There are a good many reasons why New York interests do not desire the institution of this method of trading here. Some of these objections seem to be legitimate enough. The fact remains, however, that some means of correcting evils admittedly existing must be found and actually applied if the movement toward southern delivery is to be met and laid. Such steps as those already reported are of the sort to attain these ends."

Cotton Root Rot

An editorial in The Wall Street Journal for September 28 says: "Fifty million dollars is the price Texas will pay this year for neglecting one plant disease. This is the root rot now taking a tremendous toll of cotton; it is increasing both in intensity and area. Texas planted about 19,000,000 acres of cotton this year, and now about 2,800,000 acres of it have been affected. It is most serious in the central or black land belt. In some sections the loss runs up to 75 per cent of the acreage. Those counties as a whole are losing about one-third of their crop.....Texas has a good agricultural experiment station and a pertinent question might be 'Why did it allow the disease to get beyond control?' The answer is that the States allotted but $200

for research work in this case, while the Federal Government gave $200. Four hundred dollars, where every facility at the command of the State should have been at the disposal of the scientists! Fifty million dollars is a fearful price to pay for this neglect. It is like taking $10 from every bale of cotton raised in the State. The dead and blackened stalks on nearly 3,000,000 acres are mute witnesses to the necessity for prompt action. The fungus is in the soil, and next year will take still more cotton if not controlled. How much cotton can Texas afford to lose next year? It can not afford to lose one single bale. There are those who say the rot is a good thing because the crop is too large. But if too large why raise so much? A farmer devotes his land to cotton, borrows money and puts in his time to make a crop. Should he then lose a third of the results of his work and expenditures? Such a thing is an economic waste. The situation is sinister and demands prompt, broad-minded action."

Experiment Stations

An editorial in Pennsylvania Stockman and Farmer for September 25 says: "Years ago our experiment stations and agricultural colleges had comparatively little land and equipment, including livestock. They were then criticized for instruction that was called not practical because it lacked contact with farm-scale operations. The results of their research and the value of their demonstrations were questioned because not on a commercial scale. But the stations and the colleges expanded as was proper. They have more land, bigger crop areas, good-sized herds and flocks. Their farming, their processing or manufacturing of farm products, their demonstrations are on a commercial scale. But incidentally their farms, herds, flocks, creameries and other activities produce a surplus which can not properly be wasted; so it is sold on the market in competition with the products of farmers who must finance themselves. Some of these now argue that they should not have to compete with institutions financed by State and Federal funds. All of which goes to show that it is impossible to please all the people all the time. The farmers of yesterday were right in demanding a broader practical basis for instruction and research. The farmers of to-day are right in protesting against competition of institutions if it is unfair competition. But it need not be unfair and will not be if the matter is given proper study. There is no problem here that a little common sense can not solve correctly, even if not to the satisfaction of fault-finders."

Georgia Banks Reopening

An Atlanta dispatch to the press of September 28 says: "With twenty of the eighty-six banks that recently failed in Georgia reopened for business, with two other banks ready to resume, and with prospects bright for reorganization of the entire chain of banks operated by the Georgia State Bank, the situation as regards the banks involved in the recent failure seems encouraging.....Of the closed banks, twenty-one were branches of a single institution--the Georgia State Bank--reducing the actual number of failures to sixty-five. It is also pointed out that the resources of the eighty-six banks combined totaled only $18,000,000, as compared with resources of $297,800,000 for the State banks in Georgia."

Tea Plantation Industry Due mainly to British enterprise the tea plantation industry has progressed considerably in recent years, in spite of the vagaries of climatic conditions, labor supply, and incidentally, the caprices of the public. This progress can be seen, according to advices just received by Bankers Trust Company of New York from its British information service, from the fact that the total British imports from India, Ceylon, China, the Dutch Indies and other countries in 1913 were 365,043,464 pounds, valued at 13,782,905 pounds, while in 1924 total imports were 510,498,777 pounds valued at 40,448,996 pounds. Re-exports in these two years were 57,555,651 pounds valued at 2,808,940 pounds and 75,878,080 pounds valued at 6,947,619 pounds in 1913 and 1924 respectively. In 1925 total imports at 491,057,562, which were valued at 37,538,338 pounds, were slightly lower than in the previous year, although re-exports at 88,585,864 pounds valued at 7,854,202 pounds were somewhat higher.

Section 3

Department of Agriculture 1. "Secretary Jardine proposes Government aid in financing cooperative marketing organizations. His idea is for the Government to lend money to a central agency at 4 per cent, said agency lending it to the cooperatives at 6 per cent, the difference to go into a sinking fund for overhead and emergencies. All this talk about Government financing of cooperative marketing organizations is based on the assumption that such organizations can not now finance their operations. Is such an assumption correct? So far as we know it is not correct. Sound cooperative organizations can now get all the credit they need, in fact are getting it. The only complaint of lack of credit comes from enterprises which are not entitled to it, either at financial institutions or at the hands of the Government. There will always be some such enterprises, and probably more of them under Government financing than under any other. If we properly understand Secretary Jardine's proposition it seems more likely to result in wild-cat cooperatives than in substantial assistance to the other kind." (Pennsylvania Stockman and Farmer, Sept. 25.)

2. "We refer elsewhere on this page to certain gloomy predictions concerning crop conditions in 1926-27 which may possibly lead to near-famine conditions. After the reader has digested this view of prospective production, we suggest a study of the recent estimate of the United States Department of Agriculture concerning the probable American wheat crop surplus for 1927....We still stick to our idea, elsewhere expressed, that governmental summing up of large crop production helps almost every one but the farmer. Already we start talking through official statements of the export surplus of wheat in 1927. The wheat exported is of our poorest quality yet it has most to do with setting the American price. Of premium wheat manufactured in American mills, there is no surplus. Why tell the world that we will have in 1927 two hundred million bushels of our poorer grades of wheat to sell abroad, therby knocking down the market at home? One of the best arguments ever advanced in favor of the McNary-Haugen bill, workable or unworkable as it might have proven to be, was the argument that it would probably change the psychology of public thought by making people believe that the surplus was out of the way and would not affect the home market." (St. Paul Farmer, Sept. 25.)

Section 4
MARKET QUOTATIONS

Farm Products Sept. 28: Grain prices quoted Sept. 28: No. 2 red winter Chicago $1.38; St. Louis $1.41. No. 2 hard winter Chicago $1.43. No. 2 yellow corn Chicago 80¢; No. 3 yellow corn Chicago 79¢; St. Louis 78¢; No. 3 white oats Chicago 43¢; St. Louis 45¢.

Chicago hog prices closed at $13.65 for the top, bulk of sales $11.50 to $13.40; beef steers choice $10.25 to $11.75; good $9 to $11; medium $8.10 to $9.35; heifers, good and choice $7.75 to $11.40; cows, good and choice $5.75 to $7.90; low cutter and cutter $3.75 to $4.65; vealers, medium to choice $11 to $15.50; heavy calves, medium to choice $6 to $8.50; Stocker and feeder steers $5.75 to $8.60; fat lambs medium to choice, $11.75 to $13.85; yearling wethers, medium to choice $8.75 to $11.50; fat ewes, common to choice $4.50 to $6.75; feeding lambs, medium to choice $11.50 to $13.75.

Maine Cobbler potatoes ranged $2.10 to $2.65; sacked per 100 pounds in eastern markets; bulk stock mostly $1.60 f.o.b. Presque Isle. Long Island sacked Green Mountains $2.65 to $2.85. New York domestic type cabbage mostly $14 to $20 bulk per ton in distributing centers; $8 to $10 f.o.b. Rochester. New York yellow onions $1.25 to $1.75 sacked per 100 pounds in the East. Various varieties of red fall apples sold at 50¢ to $1.25 per bushel basket. Eastern Greenings $2.25 to $2.50 per barrel in New York City. Illinois Jonathans $4 to $4.50 in Chicago.

Average price of Middling spot cotton in 10 designated spot markets declined 12 points, closing at 13.80¢ per lb. October future contracts on the New York Cotton Exchange declined 13 points, closing at 14.08¢, and on the New Orleans Cotton Exchange they declined 6 points, closing at 14.17¢.

(Prepared by Bu. of Agr. Econ.)

Industrials and Railroads	Average closing price	Sept. 28,	Sept. 27,	Sept.28,1925
	20 Industrials	158.01	158.42	144.15
	20 R. R. stocks	121.52	121.75	102.88

(Wall St. Jour., Sept. 29.)

DAILY DIGEST

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Vol. XXII, No. 77 Section 1 September 30, 1926

PRESIDENT'S AID URGED IN FOREST FIRES

A Portland, Ore., dispatch to the press to-day says: "In view of the tremendous losses during the last year in the Pacific Northwest from forest fires, effort will be made by the combined business interests of this part of the country to obtain a larger appropriatic in the next governmental budget for forest fire prevention. Through the aid of President Coolidge it is hoped to obtain the adoption of a program of departmental cooperation, in order that the maximum results may be obtained from the Federal, State and private expenditures."....The dispatch continues: "President Coolidge has become interested in the problem of fire prevention in the forests of the Northwest and has invited a committee of northwestern business men to meet him a the White House on October 7 to discuss a forest protection policy and particularly a consistent expenditure program by the Government in cooperation with State and private protection agencies."

HOOVER ON RECLAMATION

An Omaha, Neb., dispatch to the press to-day reports: "The time has come to make a survey of the drainage system of the United States to develop reclamation, flood control, power and navigation fo a 40,000,000 increase of population that is bound to come within twenty-five years, Herbert Hoover, Secretary of Commerce, told Missouri River waterway project enthusiasts at Omaha yesterday. The national waterways program should be for permanent improvement, undertaken over a number of years, and then completed, he explained."

WOOL COUNCIL ARTICLES

The press to-day states that unanimous adoption of articles of association by the Wool Council of America was announced yesterday. The articles of association, a form of constitution, describe the Wool Council as an organization "to promote the welfare of the industries interested in wool and its products, its activities to be economic in character and without legislative and political interest." The Wool Council of America is a merger of the five leading wool associations in the country, numbering among their members all the leading wool dealers and manufacturers. It is, according to the founders, a cooperative movement, primarily interested in increasing the consumption of wool through the means of public education.

FARMER-LABOR PARTY IN MINNESOTA

A Minneapolis dispatch to the press to-day says: "Twelve farmer-labor leaders, headed by Oscar Brekke, State president of the Farmers' Nonpartisan League, yesterday made public a 'round-robin,' calling on the rank and file of the farmer-labor party to abandon the farmer-labor party and vote for the Democratic candidates."

CANADIAN SHEEP DUTY OFF

An Ottawa dispatch to-day says: "Remission of duty on breeding ewes and Rambouillet rams imported into Canada from United States was granted yesterday for the period from September 1 to November 30 next."

Section 2

Cotton Crop Cut

A St. Matthews, S.C., dispatch to the press of September 29 says: "Pledges of cooperation and financial support for the plan of retiring 3,000,000 bales of cotton, for acreage curtailment in the coming year and for diversified farming, were pouring in September 28 from leading growers' bankers, merchants and business men in every section of the South and other sections of the Nation. Never has there been a movement started which has met with more unanimous support among all lines....."

Cotton Marketing

An editorial in The Journal of Commerce for September 29 says: "Now that it begins to appear fairly certain that the cotton crop being harvested will be large enough to add appreciably to existing surpluses, a good deal of rather belated attention and not a little hysteria is being aroused. Fanatics and agitators are again appearing in the headlines of the daily press. Vague talk about raising huge funds among 'banks' to take millions of bales 'off the market,' and impassioned pleas (six months before planting time) for smaller acreage next year are to be heard on all sides. Of course, a great deal of all this will never get beyond the stage of discussion and preachment, and ought not to. Yet if present indications as to the size of the crop are later shown to be in accord with fact, a problem will without question exist the solution of which will not be easy. There is no need for one to rise from the dead to tell us that cotton prices are apt to sink quite substantially below current levels if it should prove that production equals or exceeds last year's output....As between selling at present prices and holding large amounts of the staple off the market in the hope of stimulating higher values, there is no question as to the wise course to pursue. Despite the undoubted fact that the chances do not favor another large crop next year, provided acreage is held somewhat more within reason, it is highly doubtful, to say the least, that holding for higher prices would prove profitable in almost any conceivable circumstances. If there is a distinct oversupply of cotton in this country, and that seems at the moment certainly to be true, then someone must carry it till it is needed in industry. As prices work lower a level will be reached no doubt where cotton may prove a good investment. If farmers and their friends can find the funds from investors, not bankers, with which to accomplish it, and are willing to back their judgment with cash, there is no reason why they, as well as anyone else, should not buy, or, what amounts to the same thing, hold cotton till some future time when it will be in better demand....The situation is one that demands excellent judgment, caution and cool common sense, certainly not hasty and hysterical action. Above all, nothing should be done that would discourage farmers from applying good business sense in laying out their productive programs next year."

Cotton Price

An editorial in The Wall Street Journal for September 29 says: "Genuine alarm is felt in the South over the rapid decline in the price of cotton. So serious is the situation that about one hundred Texas bankers convened at Dallas to consider the situation. There never was a more opportune time to point out to the South the reason why it fails to get the full value of its crop. Cotton is and has been the main crop of the whole South, and, in all these years, no change has been made in the wasteful system of marketing. In a little more than three months about 85 per cent of a crop is rushed to market. A Niagara of cotton flooding the market inevitably depresses it and the producer gets the short end. Later the

price must adjust itself to the real value, when the producers blame everybody but those who brought about the situation--themselves. To make matters still worse most of the cotton is sold in country towns, without regard to grade or staple. Not until the bale gets further on its journey does the cotton meet anyone who can tell premium cotton from fuzztail. Producers, country buyers, and even the bankers whose money is on the crop manifest a woeful ignorance of this essential. Bankers over the belt are discussing ways to arrest the price decline which, if not checked, will seriously affect the purchasing power of a third of the population. At a meeting of bankers in Dallas, the head of the Texas Farm Bureau Cotton Producers' Association told how his organization works. It is based on spreading the marketing over a twelvemonth, and selling by grade and staple. Every bale is graded and classed, put in a warehouse to keep it from the elements and insured. The cotton is then fed to the market as wanted, and those who raise superior cotton get the benefit of the premium. There is no better bank collateral than a warehouse receipt for cotton in a warehouse under Federal law. Why should not the Texas bankers incorporate a selling agency similar to this Farm Bureau Association? Why should not others do the same? There are 5,000,000 bales in the world carryover, because it is inferior stuff. Much of the present crop is poor. But there is no surplus of staple cotton. Let the dogtail go to market, but warehouse the staple cotton. Then, when the pressure is relieved and the price rallies the best of the cotton will be in the hands of those who made it. The plan is feasible and simple, but a leader seems needed to put it over."

France's Wheat Crop

Estimates of France's wheat crop, compiled from various sources by the "Bulletin des Halles", a recognized authority, place this year's production at 70,389,000 metric quintals as against last year's 90,309,000 metric quintals (1 metric quintal = 220.46 pounds). While there is a decrease of nearly 20 million quintals for wheat and of 2,140,000 quintals for rye, there is an increase of 3,750,000 quintals for oats and 1,210,000 quintals for barley when compared with last year's figures.

Fur Prices

The New York Times of September 28 reports that the establishment of a new high price for southern muskrat was an outstanding feature of the opening sessions of the eleventh annual sale of raw furs at New York September 27, when the choicest "tops" among these pelts brought $2.36 each. A decade ago the skins that brought this price might have been considered high at 36 cents, according to the report.

The issue of September 29 states that so good was the demand for mink September 28 at the $3,000,000 fall fur auction at New York that the prices received for the 10,530 skins put up averaged 10 per cent above those paid for similar pelts at the spring sale. Top price for mink was $30.50, and it was paid for a prime lot of Labrador skins. Squirrel also sold well. Sales for the day reached $450,000, and this brought the total for the first two days of the auction to $1,200,000.

Land Situation in Japan

Henry J. Reilly is the author of an article entitled "The Americanization of Japan" in The World's Work for October. In this Mr. Reilly says: "The land situation yields little comfort to the Socialist or Communist. The Japanese throne has extensive land holdings. These are not exclusively agricultural, in that a great deal consists of forest land. The big estate system, through which an aristocracy owns and exploits the greater part of the agricultural land, does not exist in Japan. Here and there there are big estates. There is, however, a very large number of

small farms owned by their occupants. While there is a farm tenant problem in some parts of the country, it is not universal in any districts. The owners do not form a particular class of society. The rigid division of peasant land workers and aristocrat land owners, which played such an important part in the French and Russian Revolutions, is lacking."

Tobacco in France

The sale in France of tobacco in its various forms during the first eight months of the present year amounted in round figures to 1,750,000,00 francs, showing an increase of 368,000,000 francs over the same period in the preceding year. The sale of matches which also belongs to the French tobacco monopoly, totaled 14,000,000 francs. According to advices receive by the Bankers Trust Company of New York from its French information service, receipts from tobacco during August aggregated 292,760,416 francs or an increase of 97,147,416 francs over the receipts of August 1925. A part of the returns from the tobacco monopoly are now applied to the new amortization fund, instituted to reduce the French internal debt.

World Food Supply

An editorial in the September 22 issue of The Northwestern Miller on food production and consumption says: "...It is estimated that merely to produce the present normal United States wheat crop, using only the tools available in Malthus' time, would require the work of the entire population, plus a further sixty million people. Modern machinery enables one man to farm an average of thirty-four acres of land, while large areas operated under one management have reduced labor to the basis of one man to nearly two hundred acres. In 1850, ninety per cent of the country's population lived on farms; to-day the farm population is but twenty-eight per cent and, despite its steady decline, produciton regularly increases.. There remain for the solution of whatever food problem later may arise the unplumbed possibilities of synthesis. Dr. H.E.Barnard, president of the American Institute of Baking, recently said that twenty to thirty men working a single day in a factory could produce in the form of yeast as much food as seventy thousand persons could raise from the soil in an entire year. If food, he believes, were to be limited to grains or meats, there might come a time when without artificial restriction of population the world would face hunger; but this possibility is obviated by the present and certain future accomplishments of synthetic chemistry in extracting food products from sunlight and air. On the whole, it is extremely probable that the theory of ultimate hunger for humanity will shortly be considered as much of an abstraction as is determination of the limits of space. Rome, dominating a civilization margining the Mediterranean Sea, literally ruled the world because it knew of no world beyond. In much the same way, we of to-day can only speculate on the things beyond our present penetration into the world of scientific discovery."

Section 3

Department of Agriculture

An editorial in Farm and Fireside for October says: "Secretary Hoover has quietly called together from time to time the manufacturers of various commodities and set them to talking over their own affairs. As a result the wasteful making of unnecessary models and sizes of various commodities, from plowbolts and bedsprings to hotel china, has been ended by voluntary agreement. The public benefits by lower prices and the industry benefits by lower costs. An administration anxious to do something for agriculture could perform no more constructive service, it seems to us, than through the Secretary of Agriculture to take early steps for a new

and complete study of wasteful methods in the distribution of farm products. Such an inquiry should bring out actual facts as to present costs all along the line of assembling, processing and distributing farm commodities, the reasons for each cost and the justification, if any, for it. Particular attention should be paid to services that are duplicated or apparently unnecessary....Under the cooperative marketing law passed last spring Secretary Jardine is empowered to call into consultation anyone from whom he can get useful information for the improvement of marketing, and to pay for their expenses and time. A tremendously useful work was done a few years ago by the Sydney Anderson joint congressional committee, which made an exhaustive report on specific costs throughout the whole system of assembling, processing and distributing farm products. Unfortunately that report, made shortly after the war, represented an abnormal period. A new set of facts, applicable to to-day, is needed. As long as farmers get only about a third of the consumer's cash outlay for food, there would appear to be room for improvement in our system of getting crops from farm to table. How much the route from producer to consumer c be shortened no one knows....With the farm situation much to the forefron and with the interests of the whole public so intimately involved, it see to us that the Secretary of Agriculture has here a conspicuous opportunit

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Section 4

MARKET QUOTATIONS

Farm Products

Sept. 29: Grain market: No.1 dark northern Minneapolis $1.46 to $1.54. No.2 red winter Chicago $1.38; St.Louis $1.42. No.2 hard winter Chicago $1.43; Kansas City $1.35 to $1.43. No.2 yellow corn Chicago 80¢; Kansas City 80¢; No.3 yellow corn Chicago 79¢; St.Louis 79¢; Minneapolis 77¢. No.3 white oats Chicago 42¢; St.Louis 45¢; Minneapolis 41¢; Kansas City 44¢.

Wisconsin sacked Round White potatoes advanced 45¢ on the Chicago carlot market to $2.30 to $2.55 per 100 pounds and sold 25¢ to 35¢ higher at $1.75 to $2 f.o.b. Waupaca. Maine sacked Cobblers steady to firm at $2 to $2.65 in eastern cities; bulk stock mostly $1.60 f.o.b. Presque Isle. Virginia Yellow sweet potatoes declined 25 to 50¢ in most markets to $2.25 to $3.50 per barrel; $2.25 to $2.40 f.o.b. New York Elberta peaches sold mostly around $1.25 to $1.75 per bushel basket in eastern cities; top of $2.25 to $2.50 for best stock in New York City; 75¢ to $1 f.o.b. Rochester. Red fall varieties of apples held fairly steady at 75¢ to $1.25 per bushel basket. Virginia greenings $2.25 to $2.50 per barrel in New York City.

Chicago hog prices closed at $13.70 for the top, bulk of sales $11.50 to $13.40. Beef steers lower, better grades showing the greatest decline, heifers slightly higher while cows ranged from lower to higher. Vealers are 50¢ higher and heavy calves steady to 50¢ up. Stocker and feeder steers are steady to higher.

Closing prices on 92 score: New York 45 1/2¢; Chicago 44¢; Philadelphia 46 1/2¢; Boston 45 1/2¢.

Middling spot cotton in 10 designated spot markets advanced 28 points, closing at 14.08¢ per lb. October future contracts on the New York Cotton Exchange advanced 50 points, closing at 14.58¢, and on the New Orleans Cotton Exchange they advanced 26 points, closing at 14.43¢. (Prepared by Bu. of Agr. Econ.)
